

**David Moeschella pinpoints the forces threatening IT's long period of relative stability. PAGE 22**



**Jerry McElhatton, MasterCard's retiring IT chief, says it's OK to have some fun while staying on top of technology. PAGE 14**

# COMPUTERWORLD

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NOVEMBER 22, 2004 VOL 38 NO 47 \$5/COPY

## **Best Buy Hit With Lawsuit Over Layoffs of IT Workers**

## Retailer denies claims of age discrimination by 44 ex-employees

BY CAROL SUWAN

Richard Walstrom said that he sensed something was wrong during a job fair in May, when he saw some of his IT co-workers who had also recently been told by Best Buy Co. that they were losing their jobs.

"There were a high percentage of people with gray hair," said Walstrom, who's 57. "It was a lot of us. I didn't really realize what had hap-

pened until you look around and say, 'What's wrong with

Walstrom was one of 44 former Best Buy IT workers who filed a class-action lawsuit last Wednesday claiming that the Richfield, Minn., based electronics retailer engaged in a pattern of age discrimination in terminating their jobs. The plaintiffs range from 40 to 71 years old, and their average

**IDE** age is \$1, according to the lawsuit, which was filed in U.S. District Court in Minnesota.

The charges relate to Best Buy, page M

dards for protecting confidential data.

The agency reached a settlement with San Diego-based Petco Animal Supplies Inc. over charges that a security flaw in its Web site had exposed customers' credit card numbers to hackers. The flaw violated Petco promises to keep customer data safe, the FTC said.

## **FTC Charges Firms Over Web Breaches**

Action may portend further security, privacy crackdowns

**BY JAIKUMAR VIJAYAN**  
Last week's move by the Federal Trade Commission to charge three companies with privacy and security violations highlights the increasing risk facing businesses that fail to meet state and federal stan-

## \$50M SAP Rollout Runs Into Trouble in Tacoma

### **Added costs, snafus mar big-hang projects**

**BY MARC L. SONGINI**  
Cost overruns, glitches and other bumps hit during a \$50 million-plus rollout of SAP AG's ERP, CRM and other business applications in

the city of Tacoma, Wash., have generated a storm of bad press and end-user complaints, and a call from a city councilor for an audit to determine the causes of the problems.

lieve that overall, the year-end implementation of SAP R/3 has been successful. But they acknowledged that complaints about the system's payroll, billing, budgeting and customer service performance have proved to be a thorny problem.

Moreover, the city has had to pay nearly \$700,000 to Tacoma-based integrator TUI

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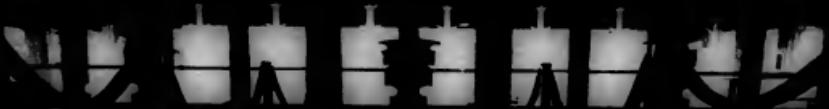
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### Convenience or Security?

**E-BUSINESS:** Consumers want easy access and safety, but more of one usually means less of the other. Columnist Larry Poersch delves into survey results to help you strike a balance your customers will accept. [QuickLink 50398](#)

### VoIP Checklist

**SECURITY:** Voice over IP opens voice communications to the same types of security threats that expose data transfer to attacks, says Sharon Besser of Check Point Software Technologies. But there are steps you can take to safeguard your network. [QuickLink 49998](#)

### Pitfalls of Storage Management

**STORAGE:** Systems architect Mark W. Bradley takes a look at tools that can help administrators avoid common data management errors. [QuickLink 49835](#)

### Hands On: Streaming Media To 2.5/3G Cell Phones

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## AT DEADLINE

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### Linux Sales Boost Novel Results

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NETWARE & LINUX REVENUE		
Q3 '04	\$301M	\$13M
Q4 '04	\$277M	(\$105M)

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BY PATRICK THIBODEAU  
SAN JOSE

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Those organizations, which are long-time Sun shops, have been testing Solaris 10. And IT managers at both FedEx and the stock exchange said they're pleased with what the operating system has delivered thus far.

Prior to the development of Solaris 10, interest in Sun's systems "was somewhat dwindling," at FedEx, said Don Fike, the Memphis-based company's technical director. But now that FedEx's IT staffers have evaluated the new software, "interest is extremely high — a major shift here," he said.

Fike added that as a result of Solaris 10, FedEx's use of Sun servers, which run many of

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Another feature that Fike said is particularly valuable is a tool called Solaris Dynamic Tracing, or DTrace for short. DTrace lets users examine how applications interact with Solaris 10, and Fike said he has been able to identify performance problems in live code within 15 minutes by using the tool — regardless of

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But not every new feature will be ready when Solaris 10 is released. Sun said a technology code-named James, which will let Linux applications run natively on Solaris-based systems, and a 128-bit file system called ZFS are due to be added later in the first quarter. □ 50844

### Sun to Indemnify Open-Source Solaris Users

BY SAM JOSE

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# Kmart, Sears Expect to Gain IT Efficiencies From Merger

But reconciling IT systems will be tall order, analysts say

## BY CAROL SLIWA

Kmart Holding Corp. and Sears, Roebuck and Co. claimed that the planned merger they announced last week will broaden their retail presence and make their procurement, marketing, IT and supply chain management operations more efficient.

But the marriage could require a daunting amount of IT work, depending on the degree to which the retailers decide to go to common systems, said several retail technology analysts.

One key part of the strategic plan, for instance, calls for many of Kmart's retail locations to be converted to Sears stores as the latter operation tries to branch out from its base in shopping malls.

Sears previously agreed to buy 50 stores from Kmart, and Sears CEO Alan Lacy, who will be vice chairman and CEO of the new Sears Holdings Corp., said last week that "several hundred" Kmart stores could be switched over altogether.

But the conversion could require "dramatic" IT changes, said Stephen Smith, an analyst at Gartner Inc. "We could find that they're more compatible than is often the case [with retailers]. But there is a big risk that this will be far more challenging than they're promoting today," he said.

Not surprisingly, the two companies have accumulated plenty of different systems. At the store level, Kmart in 2001 announced that it was buying IBM SurePOS 700 cash registers running the vendor's point-of-sale operating system.

Earlier this year, Sears said it planned to install newer SurePOS machines running 360Commerce Inc.'s POS soft-

ware on Microsoft Corp.'s Windows XP Embedded operating system.

But the greatest challenge won't lie with the in-store IT systems, according to John Fontanella, an analyst at The Yankee Group in Boston. He said the real problem will be with back-office applications at headquarters, including the merchandising, inventory planning and supply chain software. "From a process perspective, if you're going to start saving money, you've got to standardize on one distribution network," Fontanella said.

Kmart and Sears, which expect to complete the stock-swap transaction by March, declined to comment on their future IT plans. A spokesman for Sears said only that the two companies will "do a thorough analysis of both organizations and determine the best

path toward integration." When it merged with Lands' End Inc. in 2002, Sears decided not to combine IT operations.

Sears has been more aggressive than Kmart in pursuing new IT initiatives during the past two years. Last spring, Sears CEO Gerald Kelly Jr. orchestrated a 10-year, \$16 billion IT outsourcing deal with Computer Sciences Corp. And during the third quarter, Sears signed a licensing deal with IDA Software Group Inc. for an integrated set of tools to assist with merchandise management as well as planning and forecasting.

Kmart last week launched a redesigned Web site that its e-commerce team built with Fry Inc. But other than that, major IT initiatives have been sparse for Karen Austin, who became Kmart's CEO in May 2002. "We were in bankruptcy for a lot of Karen's tenure," a Kmart spokeswoman said. She added that Kmart is "getting back to business" after emerging from bankruptcy protection in May.

Long-standing IT woes contributed to Kmart's business problems. The company tried to reverse years of constrained IT spending with a two-year, \$1.6 billion investment in May 2000. But by the time it filed for bankruptcy protection in January 2002, Kmart found itself without a CIO and struggling to fix its supply chain system and replace an extensively modified warehouse management system.

"Kmart has really been in survival mode," said Rob Garf, an analyst at AMR Research Inc. He and other analysts said it would make sense for the retailers to head to the IT direction of Sears. "The combined entity needs to continue the momentum that Sears has gained over the last couple of years," Garf said. "It's important for them not to slow that process down." © 50943

## JUST THE FACTS



# Oracle Sets Quarterly Software Patching Plan

## BY JAUNIKA VYJAYANTH

Oracle Corp. last week said it's moving to a quarterly patch release schedule in response to demands from users for a more predictable process of applying security fixes to its software.

The move comes amid continuing criticism by consulting firm Gartner Inc. of the way Oracle handled a major security update for its database and application server software in August. But an Oracle spokeswoman said the company's announcement was only "temporally related" to Gartner's release two weeks ago of a research note that blamed Oracle over the August patch.

The first set of patches under the quarterly approach is scheduled to be released in January. New patches will be issued every three months and will include all previous fixes for the same products.

Mary Ann Davidson, Oracle's chief security officer, said during a teleconference that the new Critical Patch Update program should let users better plan for security fixes while not exposing them to unclear risks. "Based on a lot of discussions [with users], we feel confident that this will solve a good balance," Davidson said, adding that all of Oracle's major products will be covered under the program.

Oracle's adoption of a regular patching schedule "is going to make it a lot easier for companies to plan for these fixes," said Rich Neimic, a former president of the International Oracle Users Group and the CEO of TUSC, a Chicago-based Oracle technology consulting firm.

"It's good news for users," agreed Howard Muffler, director of enterprise services at Embry-Riddle Aeronautical University in Daytona Beach, Fla. The school uses a wide variety of Oracle products, and Muffler said that having a predictable patch update schedule will eliminate the "wailing game."

In August, Oracle said it was

considering the adoption of a monthly patch release schedule, similar to the approach that Microsoft Corp. has been using since October 2003. But users favored the quarterly plan, Davidson said. A three-month cycle "seemed to be something they could live with," she said, adding that Oracle will release out-of-cycle patches if the situation calls for them.

Quarterly updates make sense for patching database servers, said Peter Lindstrom, an analyst at Spire Systems LLC in Mountain View, Calif. Given how important database servers are to companies, system administrators are unlikely to want to patch them more frequently than they do, he said.

In its Nov. 11 research note, Gartner took Oracle to task for not disclosing enough details about the vulnerabilities addressed by the August patch, which was dubbed Patch 66 and given Oracle's highest severity rating. Oracle released an alert related to the patch in mid-October after peer-to-peer exploit code began circulating on the Internet.

"If you don't tell the good guys what the problem is, they don't have a way to evaluate the severity," said Gartner analyst Rich Mogul. He added that Gartner, which is advising its clients to install the patch, has heard from several Oracle database administrators who are nervous about doing so.

Davidson defended Oracle's stance and said the company released all the information users need to install the patch. Oracle is trying to provide enough information about security problems without giving hackers "a road map" for taking advantage of flaws, she said.

Lindstrom concurred with Oracle's reasoning. He said Gartner is assuming that "bad guys always know more than the good guys" about software vulnerabilities, when that's not necessarily the case. © 50944

## AT DEADLINE

### SAP Backtracks From Profit Promise

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**INSIDE BY THE NUMBERS**

REVENUE
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### Solaris 10 Pricing Options

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When it merged with Lands' End Inc. in 2002, Sears decided not to combine IT operations.

Sears has been more aggressive than Kmart in pursuing new IT initiatives during the past two years. Last spring, Sears CEO Gerald Kelly Jr. orchestrated a 10-year \$14 billion IT outsourcing deal with Computer Sciences Corp. And during the third quarter, Sears signed a licensing deal with IDA Software Group Inc. for an integrated set of tools to assist with merchandise management as well as planning and forecasting.

Kmart last week launched a new Web site that lets its e-commerce team build with Fry's. But other than that, major IT initiatives have been sparse for Karen Austin, who became Kmart's CIO in April 2002. "We were in bankruptcy for a lot of Karen's tenure," a Kmart spokeswoman said. She added that Kmart is "getting back to business" after emerging from bankruptcy protection in May.

Long-standing IT woes contributed to Kmart's business problems. The company tried to reverse years of constrained IT spending with a two-year, \$1.6 billion investment in May 2000. But by the time it filed for bankruptcy protection in January 2002, Kmart found itself without a CIO and struggling to fix its supply chain system and replace an extensively modified warehouse management system.

"Kmart has really been in survival mode," said Rob Garf, an analyst at AMR Research Inc. He and other analysts said it would make sense for the retailers to head to the IT direction of Sears. "The combined entity needs to continue the momentum that Sears has gained over the last couple of years," Garf said. "It's important for them not to slow that process down." **C 50943**

## Oracle Sets Quarterly Software Patching Plan

BY JAHMINAR VIJAYAN

Oracle Corp. last week said it's moving to a quarterly patch release schedule in response to demands from users for a more predictable process of applying security fixes to its software.

The move comes amid continuing criticism by consulting firm Gartner Inc. of the way Oracle handled a major security update for its database and application server software in August. But an Oracle spokeswoman said the company's announcement was only "tangentially related" to Gartner's release two weeks ago of a research note that blasted Oracle over the August patch.

The first set of patches under the quarterly approach is scheduled to be released in January. New patches will be issued every three months and will include all previous fixes for the same product.

Mary Ann Davidson, Oracle's chief security officer, said during a teleconference that the new Critical Patch Update program should let users better plan for security fixes while not exposing them to undue risks. "Based on a lot of discussions [with users], we feel confident that this will strike a good balance," Davidson said, adding that all of Oracle's major products will be covered under the program.

Oracle's adoption of a regular patching schedule "is going to make it a lot easier for companies to plan for these [fixes]," said Rich Neemeic, a former president of the International Oracle Users Group and the CEO of TUSC, a Chicago-based Oracle technology consulting firm.

"It's good news for users," agreed Howard Muffler, director of enterprise services at Embry-Riddle Aeronautical University in Daytona Beach, Fla. The school uses a wide variety of Oracle products, and Muffler said that having a predictable patch update schedule will eliminate the "waiting game."

In August, Oracle said it was

considering the adoption of a monthly patch release schedule similar to the approach that Microsoft Corp. has been using since October 2003. But users favored the quarterly plan, David son said. A three-month cycle "seemed to be something they could live with," she said, adding that Oracle will release out-of-cycle patches if the situation calls for them.

Quarterly updates make sense for patching database servers, said Pete Lindstrom, an analyst at Spire Security LLC in Malvern, Pa. Given how important database servers are to companies, systems administrators are unlikely to want to patch them more frequently than that, he said.

In its Nov. 17 research note,

Gartner took Oracle to task for not disclosing enough details about the vulnerabilities addressed by the August patch, which was dubbed Patch 6B and given Oracle's highest severity rating. Oracle released an alert related to the patch in mid-October after proof-of-concept exploit code began circulating on the Internet.

"If you don't tell the good guys what the problem is, they don't have a way to evaluate the severity," said Gartner analyst Rich Mogul. He added that Gartner, which is advising its clients to install the patch, has heard from several Oracle database administrators who are nervous about doing so.

Davison defended Oracle's stance and said the company released all the information users need to install the patch. Oracle is trying to provide enough information about security problems without giving hackers "a road map" for taking advantage of flaws, she said.

Lindstrom concurred with Oracle's reasoning. He said Gartner is assuming that "bad guys always know more than the good guys" about software vulnerabilities, when that's not necessarily the case. **C 50941**



## BRIEFS

### EDS Reports Weak Results for Q3

**Electronic Data Systems Corp.** blamed the delayed Navy/Marine Corps Intranet project and other woes for the weak third-quarter financial results it reported last week. The report was delayed several times because of accounting issues. EDS is also restating its third and fourth quarters of 2003.

#### EDS BY THE NUMBERS

03/04	\$15.3B
03/03	\$15.3B

### Microsoft Courts NetWare Users

**Microsoft Corp.** last week stepped up its efforts to persuade users of Novell Inc.'s NetWare to switch to Windows Server 2003, releasing migration products and support programs for the move. Novell has strengthened its Linux offerings, rolling out a desktop Linux version this month. Microsoft will offer training vouchers, online technical support and migration tools.

### Retek Buys Syncra To Extend CRM Line

**Retek Inc.**, in Minneapolis last week acquired the assets of Syncra Systems Inc. in Waltham, Mass., for less than \$5 million in cash in order to expand its line of supply chain management tools. The Syncra tools let retailers work with suppliers on promotion planning, consumer demand forecasting and inventory management.

### Seagate Adds 400GB Hard Drive

**Seagate Technology LLC** last week released a 400GB hard disk drive targeted at PCs. The drive is the fourth member of Seagate's Barracuda 7200.8 series and includes versions with an Ultra ATA/100 interface and a Serial ATA interface. The speed of the disc is 7,200 rpm, with an average seek time of 8 milliseconds. Pricing wasn't disclosed.

## C ON THE MARK

### HOT TECHNOLOGY TRENDS, NEW PRODUCT NEWS AND INDUSTRY GOSSIP BY MARK HALL



## Open-Source Vendor Sweetens CRM Pot . . .

... with Sugar Cubes — two, to be precise. SugarCRM Inc. in Cupertino, Calif., began shipping the alpha version of its open-source Sugar Sales Professional software in the spring, released the product commercially in September [QuickLink 49314] and made Version 2.0 available last month. This week the speedy

vendor delivers a pair of pre-configured, Linux-based appliances called Sugar Cubes. The 1005 costs \$4,495 and can handle up to 100 users, and the 3005 starts at \$7,995 and can support up to 400 people. SugarCRM's software runs on the "LAMP stack" of Linux, Apache, MySQL and PHP. The entire application was written in PHP, which gives it exceptional performance, says Jacob Taylor, SugarCRM's vice president of engineering and co-founder. In fact, the company is so proud of the software's performance that with each page refresh, it displays the response time. If you get tired of paying the annual support fee of \$239 per user for Sugar Sales Professional, you can simply stop —

**Sugar Cube: One lump or two?**

A small image of a Sugar Cube device is shown at the bottom left.

and keep your data, the application and, of course, the source code, which can be customized by your own PHP guru to your heart's content. Tara Smith, SugarCRM's director of marketing, claims that gives her company a big edge over Salesforce.com Inc. "If you leave Salesforce, you get your data but not the app to run it," she says.

### Security tool's link to Remedy . . .

. . . can help IT staffers manage and fix network vulnerabilities. By year's end, Solutionary Inc. in Omaha plans to complete pilot tests of integration hooks to BMC Software Inc.'s Remedy IT help desk tools. The hooks are being built into an upgrade of its Active-Guard Security Management service, which monitors systems for security vulnerabilities. Remedy users will be able to get a prioritized list of security



**MIKE HRABIK**  
Link exec: My tools help IT desk apps

problems that Active-Guard finds and then use the information to issue trouble tickets to the appropriate IT workers. IT security personnel don't always know who's the best choice to fix a problem, says Mike Hrabik, Solutionary's chief technology officer. So, he argues, it's essential to correct known security problems through an established IT management process, such as Remedy-generated trouble tickets. That can be particularly important after a company does a large-scale vulnerability assessment, which often reveals thousands of security holes. "How do you bubble up the things you need to do first?" Hrabik asks. "And how do you get the right people to fix them?" Active-Guard will answer the first question, he says, and the second can be resolved through the integration with Remedy. Shipments are expected to begin in the first half of next year.

### The more (variables), the merrier . . .

. . . the results will be for users of business intelligence tools. But that's difficult to achieve with BI models that can take weeks to create and still include only a handful of variables. And most users find themselves having to rely on such models now, claims Joerg Rathenberg, vice president of marketing and communications at San Francisco-based KXEN Inc. In contrast, he says, his company's KXEN Analytic Framework tools use advanced modeling techniques based on the statistical learning theories of Vladimir Vapnik, a Russian-born mathematician who is now a re-

**\$1.7B**

Redhot Group estimates the size of 2008's anti-spam market.





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2003 REVENUE IN MILLIONS OF USD		
Q3	\$4,956	\$15.3M
Q3/Q3	\$5B	\$16M

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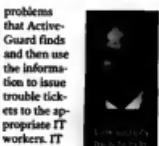
Sugar Cubes: One lamp or two?

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**\$1.7B**  
Market value  
of spam in 2004  
Source: KXEN

search fellow at NEC Laboratories America Inc. and a professor of computer science at Columbia University in New York. KXEN's software can automatically build predictive models with hundreds or even thousands of variables, according to Rathenberg. He says it can take up to three weeks for a statistician using conventional tools to create a working model that business analysts can use to find "rules" among the information in a data warehouse. "We can do three or four models a day," he says. Release 3.1 is due next month with new association capabilities that rank the most relevant rules derived from BI queries.

### Antispam software market heats up . . .

... with a competitive "trap" up program from Cloudfire Inc. According to CEO Karl Jacob, the San Francisco-based vendor will let corporate users of rival technologies test its Cloudmark Immunity software. And if they like Immunity better than what they already use, they can keep the software and won't have to pay anything for it "until they stop paying for their current antispam product," Jacob says. He argues that IT managers rushed in tools to dam the flood of spam and that many companies are now dissatisfied with the results — either spam keeps coming, or the false-positive rates are too high. Although most antispam products offer plug-ins for Outlook, few integrate with Lotus Notes. For Cloudmark, that's due to end in next year's first quarter, when the company plans to release an upgrade with built-in links to Notes mail clients. © 50988

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applications



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**intel.**

# Users Say Nortel Continues To Deliver, Despite Problems

Financial review raises concerns but isn't seen as reason to abandon vendor

BY MATT HAMBLEN

**T**EN LONGTIME customers of Nortel Networks Corp. said last week that they want the networking equipment vendor to wrap up its yearlong internal accounting probe as soon as possible. But they all said they're still committed to using its products.

On Nov. 11, Nortel again delayed the release of its financial results for 2003 and the first half of this year, saying it would need another 30 to 60 days to complete its review of revenue recognition issues and other matters dating back to 1999. Financial analysts reacted sharply, with some of them warning that the continuing delays could cause Nortel to be delisted by stock exchanges in Toronto and New York.

Users such as Mike Hazdra, telecommunications manager at Benedictine University in Lisle, Ill., said they are well aware of the latest financial update from Nortel. Hazdra described the new delay as "a fiasco" for Nortel and said it makes him "wonder what's going on" at the Brampton, Ontario-based vendor.

"It has made me a less-staunch Nortel supporter, even though their technology is really good," Hazdra said. But he added that Nortel still offers "the best phone system you can buy" and that a stock delisting or even more dire developments at Nortel likely wouldn't affect him immediately. "If that happens, I'll still have a Nortel switch and can still get replacement parts for it," he said. "I'll have it

sitting here until it rusts."

Grant Eberlein, manager of IT at NRI Industries Inc., a maker of recycled rubber products in Toronto, said he also has grown more concerned about Nortel as the accounting probe has been prolonged.

"These circumstances must be distracting the company from carrying out its business strategy," said Eberlein, who has used the company's Meridian voice switch and other gear since 1992. "How can you have your eyes on the ball of getting out there with products when you're fighting your financials?"

## Potential Fallout

Caren Hart, a board member of the Chicagoland Nortel Networks Users Association, said she worries about reduced support from Nortel if there is further fallout from the probe. Hart is a telecom

**"We feel [Nortel is] a strong engineering company, and the proof is that they continue to deliver, even during this difficult time."**

DERRIC BRITZ, MANAGER OF TELECOM ENGINEERING, BNSF

manager at an insurance company that she asked not be identified. It uses Nortel products in 54 offices nationwide.

On the other hand, Margaret Rettig, a telecommunications manager at a global manufacturing plant, said the internal probe hasn't had any adverse impact on the level of service she receives from the company.

"If anything, Nortel has been much more attentive to us," added Rettig, who also

asked that her company not be named. She is a board member of the Chicago-based International Nortel Networks Users Association, which includes the Chicagoland chapter and 69 other regional groups.

The Burlington Northern and Santa Fe Railway Co. uses Nortel products throughout its networks. Greg Britz, BNSF's manager of telecom engineering, said IT executives at the Fort Worth, Texas-based company recently were told by outside technology analysts that Nortel is still a solid vendor.

The analysts did say that if Nortel's revenue fell significantly, it could affect the company's ability to develop new products. "But our experience over the last two years with Nortel has been quite good," Britz said. "We feel they're a strong engineering company, and the proof is that they continue to deliver, even during this difficult time."

© 50908

## MORE ONLINE

Nortel says that despite its financial troubles, customers aren't pulling contracts.

QuickLink 50908

www.computerworld.com

## Four Vendors Team Up On Standardized Linux

Red Hat and Novell decline to join with second-tier firms

BY TODD K. WEISS

Four small Linux vendors last week said they're joining together to create a common code base in an effort to attract more independent software vendors and hardware makers to support their versions of the open-source operating system.

The four companies are Conectiva SA, MandrakeSoft SA, Progeny Linux Systems Inc. and Turbolinux Inc. Progeny has headquarters in Indianapolis, while Conectiva, Mandrakesoft and Turbolinux

are based in Brazil, France and respectively.

Linux market leaders Red Hat Inc. and Novell Inc. both declined invitations to take part in the joint initiative. A Novell spokesman said company officials are supportive of the new group, but "at this point, we're simply giving them moral support."

Ian Murdock, chief strategist and co-founder of Progeny and a founder of the Debian open-source project, said the idea behind the Linux Core Consortium is to help reduce incompatibilities for users and independent software vendors by building a single code base that's compliant with the Linux Standard

Base 2.0 specifications.

Individually, the four companies don't have the clout or customer base to attract strong interest from software and server makers, Murdock said. They hope to change that by developing the common set of core binaries, which is due to be available for incorporation into their operating systems in next year's first quarter.

The vendor group has its work cut out for it, said Stacey Quandt, an analyst at Robert Frances Group Inc. in Westport, Conn. "I understand what they're doing," Quandt said. She predicted, though, that the effort will have limited success because Red Hat and Novell's SUSE Linux unit already offers independent software vendors the Linux platforms they need to support.

Gordon Huff, an analyst at Illuminata Inc. in Nashua, N.H., said he also doesn't expect the

Linux consortium to attract a huge amount of interest from the software vendors. "I'm skeptical it's going to make a big difference," he said, noting that many of the vendors don't want to support more than one or two Linux brands.

## Different Outlooks

Murdock acknowledged that the presence of Red Hat and Novell would "make the result of the initiative stronger." But he said it's understandable that they don't feel the same need to join in as the other vendors do. "They're probably happier with the current situation than the rest of us," he said. "But we firmly believe that situations like the best interests of the industry in the long haul. We hope they come to thinking the same way."

The Linux Core Consortium is reminiscent of UnitedLinux, a joint initiative that was set

up in May 2002 by Conectiva, Turbolinux, Caldera International Inc. and SUSE Linux AG prior to its acquisition by Novell. Caldera has since renamed itself "The SCO Group Inc."

UnitedLinux largely came undone after Linden, Utah-based SCO began its legal campaign against Linux vendors and users in March 2003.

Murdock said the new effort will incorporate some of the lessons learned from UnitedLinux. "It was a great idea that was badly executed," he said.

"In a lot of ways, we're trying to realize the potential UnitedLinux had." © 50946

Reporter Carol Silvia contributed to this story.

## LINUX NEWS

For additional coverage and information about the topic, visit our Web site.

QuickLink 50900  
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## BRIEFS

### Sun Offers Mustang Betas to Developers

**Sun Microsystems Inc.** last week opened the next version of its Java 2 Platform Standard Edition (J2SE 6.0, code-named Mustang) to developers. The move represents the first time Sun has made source and binary code bundles available for a J2SE release still in development. Sun said, "The company plans to release source code weekly. The J2SE 6.0 version is slated to ship by mid-2006."

### Symantec, MX Join On E-mail Defense

**Symantec Corp.** and MX Logic Inc. unveiled a managed e-mail defense service that they said can help businesses reduce bandwidth and storage costs. The service joins Symantec's Brightmail Anti-Spam 6.0 and the MX Logic Email Defense Service into two packages sold by MX Logic.

### NetApp Reports Improved Results

**Networked storage supplier NetApp Appliances Inc.** reported improved results last week as a result of growth across all product lines, segments and geographies, said CEO Dan Wernhamen.

Revenues for its second quarter of 2005 increased 36% over the previous year. Profits grew 14%.

FY 2005 RESULTS			
Q2 '05	\$37.5M	\$55.1M	
Q2 '04	\$27.6M	\$48.4M	

### Niku Releases Governance Tools

**Niku Corp.** in Redwood City, Calif., last week introduced a version of its Clarity IT management software with new features supporting global IT governance activities. Clarity Version 7.5 provides central oversight over regional IT activities, including analytics to help determine IT worker costs. The software runs on a variety of Unix platforms and Windows 2000 and is priced from \$100,000. It ships next month.

# HP's AlphaServer Sales Continue Steep Decline

The vendor's expected OpenVMS Itanium version should be death knell

BY PATRICK THIBODEAU

**T**HE VENERABLE AlphaServer is fading as a source of revenue for Hewlett-Packard Co. as the company readies the general release of OpenVMS, one of Alpha's primary operating systems, for its integrated server line.

In HP's fourth quarter, which ended Oct. 31, AlphaServer revenue fell 27%, the vendor reported last week. That followed a 32% revenue decrease in the prior quarter. An HP spokesman blamed the decline on users moving to the Integrity line, which is based on Intel Corp.'s Itanium processors.

HP plans to stop making the AlphaServer at the end of 2006 but will support the systems through 2011. The company said Integrity sales are up 5% from a year ago and represent 36% of its business-critical server revenue.

#### Varied Responses

Customers appear to be responding in a number of ways — not simply by buying Integrity servers. David Turner, sales manager at Island Computers US Corp., an AlphaServer reseller in Savannah, Ga., said sales of refurbished systems by his company are up 150% from last year.

Used AlphaServers are gaining ground over new systems because users "don't want to spend three times the money for a system that might be obsolete in three years," said Turner. Sales of spare-parts kits are also rising, he said.

Nevertheless, some users are still buying new systems. Lee Mah, an OpenVMS systems administrator at a Canadian health care provider, said his employer recently purchased two 16-processor GSi280 AlphaServers. Mah

said the health care provider couldn't wait for the Itanium version of OpenVMS, because it needed additional server capacity right away.

Mah expects to use his new AlphaServers for about three years before growth of the 29,000-employee organization forces an upgrade. At that point, his employer will have to decide whether to stay with OpenVMS, he said. But "other platforms don't have the reliability that OpenVMS has had for our applications," which include mostly custom-built software and third-party payroll processing, said Mah.

HP is expected to announce the availability of an Open-

VMS implementation for Itanium as early as next month.

Tru64 Unix, also used on AlphaServers, is being phased out, and some of its features, such as TruCluster, are being added to HP-UX, another bad sign for AlphaServer users. "If you are running Tru64 Unix, you are dependent on Alpha."

## HP Results

**Gross revenue of HP increased 8% to \$21.4 billion in the quarter that ended Oct. 31.**

**Software sales and services revenues:**

**Q4: \$4.1 billion, up 7%**

**Year over year:**

**Q4: \$3.4 billion, down 5%**

**Year over year:**

said Terry Shannon, an Amarillo, Texas-based consultant and publisher of the newsletter "Shannon Knows High Performance Computing."

HP's latest financial results showed a rebound after a dismal enterprise server revenue performance in the quarter that ended in July, when sales declined by 9%. Following those results, CEO Carly Fiorina fired three executives.

HP customers at HP World in August reported late deliveries and other supply problems. The company blamed the problems partially on an internal systems migration.

One of the users who had problems was Kees denHartigh, a systems and network analyst at the University of Alberta in Edmonton. He said the university ordered one storage array, but two were delivered.

But the university was happy with the initial storage array and "decided we could probably use two anyway," said denHartigh. "We ended up buying it." © 50939

# Air Force Consolidates Contracts, Software

**Microsoft deal will standardize servers, desktops**

BY DAN VERTON

The U.S. Air Force last week announced an enterprise-wide software licensing agreement with Microsoft Corp. that's expected to save it more than \$100 million over the next six years and help secure its PCs and Windows-based servers.

Air Force CIO John Gilligan was scheduled to detail the licensing and software standardization initiative last Friday afternoon. In an advance statement, the Air Force said the deal with Microsoft will consolidate 38 software purchasing contracts and nine support pacts into two contracts that all of its operations will be required to adopt.

The Air Force will also

mandate the worldwide use of standard configurations of all Microsoft desktop and server software products.

Officials said that "rigorous security profiles" will be implemented and that security patches and software updates will be distributed to systems online. In addition, security, performance and software feature settings will be designed specifically for the Air Force.

## Similar Government Pact

Some analysts said the deal appears to be similar to one the U.S. Department of Energy signed with Oracle Corp. in September 2003 that required Oracle to deliver software configured for optimal security [QuickLink 41700].

Craig Kreitner, president and CEO of the Center for Internet Security in Hershey, Pa., called the Air Force's move "a

terrific example" of how large users can leverage their overall buying power to require vendors to deliver software configured to meet their functionality and security needs.

But John Pescatore, an analyst at Gartner Inc., said the new agreements with Microsoft may not be that big of a step forward. "It will force the Air Force to have more-secure configurations of Microsoft software by limiting how many versions they use and having configuration guidelines," he said. "But it sounds like they're building in a lot of patch management functions, and that doesn't force the vendor to deliver software with fewer patches."

Alan Salisbury, chairman of the Center for National Software Studies in Upper Marlboro, Md., said standardization usually reduces costs.

"The name of the game continues to be total cost of operations, which is dominated by maintenance and support," he said. "Fewer configurations equals lower costs." © 50947



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## An International IT News Digest

### South Korea Allocates Spectrum for WiBro

TOKYO

**S**OUTH KOREA's government last week allocated spectrum in the 2.3-GHz band for a new breed of wireless Internet service called WiBro that's expected to deliver 1Mbps/sec. connections to mobile devices.

WiBro, short for wireless broadband, is similar to WiMax, another emerging wireless broadband technology. Both are part of the IEEE 802.16 family of wireless standards. But South Korea's homegrown WiBro technology can work with devices, such as laptops and handhelds, that are traveling at up to 70 kilometers per hour, whereas WiMax was designed for stationary receivers.

South Korea's Ministry of Information and Communication, which set aside the spectrum for WiBro, said that it plans to offer licenses to three vendors in March and that it expects commercial services to start being offered in 2006.

But industry observers are worried about dueling technologies. Last week, the CEOs of Intel Corp. and Korea-based LG Electronics Inc. met in Seoul to discuss ways to merge the WiBro and WiMax technologies and avoid market segmentation.

■ MARTYN WILLIAMS IDG NEWS SERVICE

### Australian Territory Plans VoIP Network

SYDNEY, AUSTRALIA

**A**USTRALIAN Northern Territory government plans to introduce IP telephony as part of a voice and data network overhaul that's expected to cost about \$108 million (U.S.) over five years. The government is seeking bids from vendors for a contract that will cover all voice, data and Internet services for about 16,000 end users at 250 agency sites and 180 schools.

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■ RODNEY GEDDA

COMPUTERWORLD TODAY (AUSTRALIA)

### Microsoft Beefs Up India Connections

BANGALORE, INDIA

**M**ICROSOFT CORP. will hire several hundred staffers over the next 12 months for the software development and support operations at its new 28-acre campus near Hyderabad, India. CEO Steve Ballmer said last week during a three-day trip to the country. But Ballmer said the additional hiring won't lead to job losses in the U.S.

Microsoft also announced separate partnerships with Bangalore-based IT outsourcing firms Infosys Technologies Ltd. and Wipro Ltd.

Microsoft and Infosys signed an \$8 million pact to combine Microsoft's .Net software with consulting services from Infosys to help companies implement product development, retail and radio frequency identification projects.

■ 50984

Compiled by Mitch Beets.

### Briefly Noted

**I**berbanda S.A., a wireless operator in Madrid, has begun to install WiMax wireless broadband technology supplied by Alvarion Ltd., according to a spokeswoman for Tel Aviv-based Alvarion. Iberbanda is targeting business and residential customers in the Andalucia and Catalonia regions of Spain.

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**R**esoft Net Inc. recently opened its first office in China. The Beijing office will work closely with other IT vendors in the area and support Linux education programs at Tsinghua University and Nanjing University.

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## Retiring MasterCard IT Chief Talks About Challenges

BY LUCAS MEARIAN

**Jerry McElhatton** started out as a police officer in Columbus, Ohio, and ended up as the chief technologist at MasterCard International Inc., overseeing 2,700 IT employees and a \$100 million payroll. McElhatton, 65, MasterCard's senior executive vice president of global technology and operations, is retiring next month, a year after completing a five-year, \$200 million rewrite of the company's processing systems and opening a \$135-million operations center in O'Fallon, Mo.

Now looking to join the consulting world, McElhatton spoke with Computerworld last week about the MasterCard project, IT trends, his management style, and finishing projects on time and within budget.

**What are some of the bigger challenges you've faced at MasterCard over the years?** When I came in, there had been attempts to rewrite these systems. They hadn't been successful, so one of the challenges was to get the talent and organization [to] rally around a plan [to] rewrite these systems in a meaningful way while keeping the other systems in place. It's like changing an airplane engine in flight.

**What did you do differently from past IT managers there?** We organized the effort into manageable segments. I recruited people who had a lot of experience both inside and outside of the industry. I can teach people the industry, but I need people who have

confidence in terms of their delivery skills. One of the big challenges was not only to develop relationships internally, but to establish and make sure relationships with our members were such that we could get them on schedule to convert to the new software.

**How has the job of CIO changed over your career?** There's more and more value extraction [that] people are looking for the CIO/CTO to give. You have to be a good business person. I've seen a lot of technology introduced that can help people do things better, faster, cheaper. But I've also seen a change that successful people in this industry have really extracted business value and

managed IT as a business.

**You have an open-door policy where anyone can e-mail or call you to voice concerns. Has that always been your style?** I've done that throughout my career. In order to motivate people, you have to establish the right culture, and the right culture is to have an open and honest and direct culture. We've got a big job to do, and our customer members and internal users expect us to be right at the top of that pile all the time, but that doesn't mean you can't have fun doing it.

**What are some of the bigger challenges coming down the pike?** We have lots of leading-edge technology, but we're not bleeding-edge. One nice likes to have a problem with a financial transaction. The challenge we

have is to take this infrastructure technology and new product technology and make sure it's fully integrated and fully tested, so when it's used we're 100% sure that it's going to be a successful transaction.

**How do you manage vendor relationships?** You have to have a partnership with your vendors, and they have to understand your expectations. Do we have problems with vendors from time to time? You bet. But if you have good communication and coordinate with them, you're going to get a lot better results.

**What are some exciting emerging technologies?** I get excited about grid computing. I don't think it's ready for commercial use yet, but we're excited about it. [Linux has] got potential to again drive down the economic dynamics of what it is we're doing. ■ 50989



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Photo: Tom Pyle  
MasterCard IT chief

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Continued from page 1

## Best Buy

Layoffs that were announced in April, when Best Buy said it planned to outsource its IT operations to Accenture Ltd. [QuackLink 46253], and to a smaller round of cuts that took place in October 2003.

A spokeswoman for Best Buy said it hadn't received the complaint as of Thursday. But the retailer issued a statement saying it was aware of the suit. "We believe these claims are without merit and intend to vigorously defend the action," Best Buy said. It also stated that the average age of its 3,700 corporate employees is 35.

When it announced the outsourcing contract with Accenture, Best Buy said that only 40 of its 820 IT employees would remain with the company. The retailer expected about 650 workers to receive comparable job offers from Accenture and continue working at Best Buy's offices. The other employees were told that they would be let go.

According to the lawsuit, 126 IT workers were terminated in June. Stephen Snyder, the Minneapolis-based lead attorney for the plaintiffs, said that 82 of those workers were at least 40 years old — the minimum age required to file an age-discrimination claim. Thirty-one of the plaintiffs were among the workers who were dismissed in June.

The 13 other plaintiffs lost their jobs when Best Buy laid off a total of 25 IT workers last year, according to the lawsuit. Twenty of them were at least 40 years old, Snyder said.

The lawsuit noted that another worker turned 40 the day after he was laid off.

Marshall Tanick, a Minneapolis-based employment lawyer who has handled at least 50 age discrimination complaints over the past 20 years, said the larger a group of plaintiffs is, the greater chance it has of success. The Best Buy suit is "an unusually large case, which makes it particularly potent," he said.

Snyder said the Best Buy suit involves the largest num-

### EXCERPT

"As part of its pattern or practice of discrimination, Best Buy has failed to provide its older [IT] employees with consideration for employment opportunities, has refused to transfer older employees into open positions for which they were qualified and has refused to re-hire its former employees for positions for which they were qualified."

ber of plaintiffs that his firm, Gray, Plant, Mooy, Mooy & Bennett PA, has represented in an age discrimination complaint. The previous high was 43 in a case against Monsanto Co., that was settled for \$18.25 million in 1996, he said.

"Computer industry em-

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He added that the most recent performance reviews for each of the plaintiffs had indicated that he was a "solid performer" or better.

### Surprise Termination

"If you're doing your job well, getting good reviews and merit increases, you don't expect to get dumped," Walstrom said of his termination. "In that respect, it was a surprise."

Walstrom, who said he had worked at Best Buy for almost seven years, was a technical consultant assigned to special projects when he was let go in April. But he said that until September 2003, he was the manager of the company's database support group, which consisted of 21 employees and seven or eight contractors and was charged with ensuring the

health of all corporate-level production databases.

Walstrom's group was then shifted from operations to Best Buy's database development team, he said, adding that he soon learned from his new boss that his job was going to someone else. "The guy picked to replace me had no experience managing databases," Walstrom said. "He had been a project manager. But he was about 20 years my junior. You look at that and hindsight and start figuring things out."

The plaintiff's legal team asked for a jury trial and are seeking back pay and benefits, damages and an order that Best Buy either reinstate them to comparable roles or give them salaries and benefits until they reach their expected retirement ages.

Not every former employee who was eligible to file an age-discrimination claim against Best Buy did so. Snyder said workers who accepted severance pay were required to sign a document releasing the company from all claims, including age discrimination complaints. **Q 50942**

Continued from page 1

## FTC

stemmed from an incident in which a "white knight" hacker broke in and found credit card information stored in a Petroco database and reported it to the FTC, a Petroco spokesman said. No information was lost in the incident, he added.

As part of its settlement with the FTC, Petroco must submit to independent biannual audits of its information security practices for the next 20 years. "The message here is that if a company is making security and privacy representations online, it should take reasonable and appropriate measures to secure sensitive information," said Alain Sheer, an attorney in the FTC's financial practices division.

The FTC has reached similar settlements with four other companies over the past couple of years (see chart).

Meanwhile, the FTC

charged that Sunbelt, a CentCorp subsidiary, and Nationwide failed to comply with the Gramm-Leach-Bliley Act's Safeguards Rule, which requires companies to apply reasonable measures for protecting sensitive information. Both were charged with "negligent failures" to protect customer names, Social Security numbers, credit histories and other confidential data.

### Nationwide Sweep

The action represents the first cases involving the Safeguards Rule. The companies were part of a "nationwide sweep" of auto dealers and mortgage companies, said Jessica Rich, assistant director of consumer protection at the FTC.

She said the FTC hopes the action sends a message that the Safeguards Rule applies not only to typical financial institutions but also to payday lenders, check cashers and tax preparers who handle sensitive personal information

when conducting business.

As part of an agreement with the FTC, Sunbelt agreed to submit to biannual audits of its information security program for the next 10 years. In an e-mailed statement, Sunbelt said the FTC complaint stemmed from a "self-directed lead generation program that was formerly available through Sunbelt's Web site" prior to the implementa-

tion of policies to comply with the Safeguards Rule.

John Fehahn, CEO of Nationwide Mortgage, confirmed the FTC action, but he claimed that his five-person company — which shares the name of the much larger insurance and financial services provider — may have gotten inadvertently caught up in a sweep targeted at big financial institutions.

Eubank said the cost involved in bringing its small operation into compliance with the agency's requirements is prohibitive and may force him to shut down his business if no compromise can be found.

The latest FTC action is seen as indicative of the growing determination of federal and state authorities to crack down on security and privacy violations, even in instances where no actual breach may have occurred, said Michael Overly, an attorney at Foley & Lardner LLP in Los Angeles.

"We are seeing a real interest in policing these matters far more closely," Overly said. For instance, Barnesandnoble.com Inc. in April agreed to pay \$60,000 and implement a comprehensive information security policy in a deal with the New York attorney general's office over a design vulnerability in the online book-seller's Web site. "In that case, no hack had occurred, and no exposure of data had taken place," Overly said. **Q 50930**

### GOVERNMENT CRACKDOWN

**The FTC has reached settlements with several companies over security and privacy violations, including the following:**

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<b>Microsoft Corp.</b>	<b>August 2002</b>
<b>Guess Inc.</b>	<b>June 2003</b>
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Case involved disclosure of the e-mail addresses of 669 subscribers to its Photo Recovery Service.

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## Network Appliance Updates Data ONTAP Storage Platform

New 7G release will virtualize storage resources, vendor says

BY LUCAS MEARIAN

Network Appliance Inc. last week brought out the latest version of its Data ONTAP software, which it said builds a grid storage architecture on its appliances by creating an abstraction layer between application servers, storage controllers and disk arrays.

NetApp's Data ONTAP 7G software uses one global name space to give administrators a single view of storage resources. The system also pools processing power across its network-attached storage (NAS) arrays, said Chris Bennett, director of marketing at the Sunnyvale, Calif.-based company.

Data ONTAP 7G also includes a new tool called FlexVol, which allows volumes or identifiable units of storage to be spread across disk spindles in a logical manner for greater resiliency and higher performance, Bennett said. FlexVol also lets administrators set storage provisioning policies to allow volumes to grow on the fly according to how much space applications need.

Mike Forman, group director of North American IT at Cadence Design Systems Inc. in San Jose, said the flexible volumes will allow him to create more accurate chargeback models to his users. "You can assign a 500GB

LUN [logical unit number] to a user, and if he's only using 50GB of the 500GB, you can take the other 450GB and give it to someone else. We've been asking for this for years," he said.

Because there is no preallocation of storage, utilization rates are far higher, Bennett said. Performance is almost doubled because the data is shared across disk array trays, allowing multiple engines to process I/O commands.

### 'Thin Provisioning'

Tony Asaro, an analyst at Enterprise Strategy Group in Milford, Mass., said NetApp's "thin provisioning" feature has yet to be offered by the other major storage suppliers.

Another new tool in Data ONTAP 7G, called FlexClone, performs snapshots or point-in-time replication of data sets for test, development and simulation scenarios. The snapshots, which require no disk space, can be manipulated and tested without affecting the initial data set.

NetApp also said last week that its NAS engine, the gFlex, can now serve up block-level data either through the Fibre Channel or Internet SCSI protocol. iSCSI allows block-level data transfers to occur over ubiquitous Ethernet.

NetApp said all of the new products are currently shipping. FlexVol is bundled with Data ONTAP at no extra charge. FlexClone is separately licensed from around \$6,000. © 50888

## Start-up's Java Tool Integrates Open-Source

BY STACY COWLEY

Start-up Glucomode Software Inc. last week brought out a new Java development platform that the company said ties together open-source components into an integrated system.

The new tool set, called Joe, includes pieces from The Apache Software Foundation's portfolio, including port technology, the Geronimo application server, the Derby database (formerly Cloudscape) and the Agilia BPM business process management engine. Joe is aimed at developers who are interested in using the open-source technology but are reluctant to tackle com-

ponent-integration work. The Joe package includes support services and add-on features. Joe was built to marry the flexibility of Java with the usability of Microsoft Corp.'s development tools, said Winston Damazio, CEO of El Segundo, Calif.-based Glucomode. He said he expects Joe to compete with Microsoft's .Net tool lineup.

Forrester Research Inc. analyst John Rymer said Joe should help companies that don't have the development expertise needed to pull together an open-source technology stack. Joe is most suitable for projects such as building Web applications, he said.

Technical support and access to Joe source code and updates are now available for an annual subscription fee starting at \$3,500. © 50877

Cowley is a reporter for the IDG News Service.

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## Dell Unveils Second Blade Server

BY ROBERT MILLER

Two years after launching its first blade server, Dell Inc. last week brought out a follow-up

product — the PowerEdge 1855 server, based on Intel Corp.'s Xeon EM64T processors.

The blades are designed to

slide into a new 7U chassis designed by Dell. (1U equals 1.75-in. high.) The chassis can house as many as 10 of the

dual-processor servers and can accommodate emerging 10-Gigabit Ethernet networking technology as well as the power requirements of Intel's next generation of Xeon processors, said Bruce Kornfeld,

director of worldwide enterprise marketing at Dell.

The extremely dense blade design lets systems share networking, power and cooling components. Users can squeeze up to 62% more servers into their data center racks than they could with Dell's rack-mounted IJU Power-Edge 1850 server, he said.

Though his company hasn't yet installed Dell's new servers, Darrin Hyrup, director of operations at Mythic Entertainment Inc. in Fairfax, Va., said the 1855 appears to be a viable alternative to rack systems.

With little room for expansion in its data center, Mythic is looking to blades as a way to enhance performance. The company, creator of the online role-playing game Dark Age of Camelot, expects to standardize on a blade architecture by 2006.

While blades have always taken up less space than rack-mounted servers, the extreme density of the blade architecture has forced some blade designs to use cooler, less powerful processors than rack systems do. The 1855, however, uses the same processor as its IJU rack counterpart. "We were waiting for the technology to mature," Hyrup said.

Mythic is also interested in evaluating a low-power version of the 1855, which is expected within a few months. Hyrup said he expects the new blade to have much lower power requirements than the 1855, which draws about 15% less power than the 1850.

One major concern for Dell customers is the fact that the new blade chassis doesn't yet support switching technology from Cisco Systems Inc., said John Enck, an analyst at Gartner Inc. Support for the Cisco technology is expected by early next year. Until then, the systems may be less appealing to enterprise customers, Enck said.

The PowerEdge 1855 chassis is priced from \$2,999, and the blade servers from \$1,699. Both are shipping now. **50861**

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JUNE 27, 2005, ISSUE OF  
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McMillan is a reporter for the IDG News Service.



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## Cordys Exec Touts Firm's Baan Roots

BY HEATHER HAVENSTEIN  
ORLANDO

Cordys Inc., founded almost three years ago by Jan Baan

and others from his core team at Baan Software (now part of SSA Global Technologies Inc.), recently began shipping its Web

services platform. Justin Anderson, the new president of the company's Americas group, soon to be based in Reston, Va.,

talked with Computerworld last week at the Gartner Application Integration and Web Services Summit here about Cordys' products and strategy. With Jan Baan as CEO, you have

an IT veteran with a lot of background in ERP. What does that expertise bring to the table? The 22-year heritage there plays a key role in coming out with this next-generation tool. Who [Baan veterans] were developing ERP systems, they were dealing with security and scalability issues. And how do you make these businesses unique? We never were able to fulfill the vision with ERP: Companies did big business process reengineering but found they looked just like their competitors. As ERP was trying to grow, [vendors] would buy a CRM company or an advanced planning solution suite and try to bolt all those together. That compounded the problems. It is the same thing with an application platform suite.

Will your target market be companies trying to build composite applications? Yes. You would use our unified stack to create composite applications in a services-oriented architecture, so [that means] basically exposing all the disparate legacy systems instead of ripping and replacing all those to enable the vision of the CEO or CIO. [Our platform] makes the ERP systems' application infrastructure so there are reusable components, and we can start with business processes to really fulfill making companies unique.

How does your technology differ from integration software? We're open-standards-based, and we have an XML application server and XML containers across that whole stack that we built from the bottom up. It leads to lower cost of ownership.

How does your technology support enterprise efforts to go beyond using Web services for internal integration by building composite applications? We have a component gallery — prebuilt building blocks — to help you start that. For example, we have B to B Express, which helps companies deal with their trading partners, customers and suppliers to build those composite applications. © 2004

COMPUTERWORLD HAS BEEN NAMED  
MAGAZINE OF THE YEAR FOR 2004.

**COMPUTERWORLD**  
THE VOICE OF IT MANAGEMENT

## Supercomputers Vital for Competitiveness, Say Users

BY TODD R. WEISS

PITTSBURGH

**Corporate America must leverage government investments in powerful supercomputers so the technology can economically find its way into the private sector.**

U.S. industry needs affordable access to supercomputer systems, which generally cost \$10 million or significantly more, in order to better compete globally, concluded a panel on global leadership at the SC2004 Supercomputing Conference here this month. The panel included IT executives from General Motors Corp. and animation company PDI/DreamWorks, who explained how supercomputers have given their companies an edge in their respective industries.

To get the better of competitors in other countries, U.S. businesses need access to more powerful hardware such as supercomputers, said moderator David E. Shaw, chairman of David E. Shaw & Co., a New York-based investment and technology development firm. To keep costs reasonable, companies need to leverage government investments in supercomputers, he said.

Government agencies and business groups are currently looking at ways

to amortize government technology investments over a larger group of potential users, Shaw said.

A recent survey by the Council on Competitiveness also found that the private sector lacks trained IT professionals to run such technologies, said Suzy Tichener, director of the high-performance computing program at the Washington-based nonprofit business advocacy group. Companies could utilize trained government personnel under a public/private partnership.

### Business Benefits

The benefits of supercomputers are real, said panelist Sharun Kalwani, manager of high-performance computing infrastructure at GM.

Designing new vehicles and tooling up factories to build them is incredibly expensive and took up to 60 months to complete in the early 1990s, he said. Powerful supercomputers now compress and overlap multiple schedules for design, tooling, research, safety testing and manufacturing, cutting the process to 18 months, Kalwani said. One area seeing the most effect has been in replacing crash-test cars.

Andy Hendrickson, head of animation technology at PDI/DreamWorks, a Redwood City, Calif.-based unit of

DreamWorks LLC, said supercomputers have revolutionized the animation business by allowing complex mathematical calculations to be done more

quickly, helping to create more lifelike animation and reducing labor costs. Since labor accounts for the lion's share of the cost of an animated film, the savings can be huge and could slow the trend of sending animation jobs offshore, Hendrickson said. **G 50885**



## Windows to Skip Itanium for Supercomputing

**MICROSOFT CORP.** will support only x86 processors with 64-bit extensions when it releases a version of Windows Server 2003 for high-performance computing (HPC) applications next year, putting off support for Intel Corp.'s Itanium 2 chip to a still-undetermined date.

The HPC market is currently dominated by Unix and Linux operating systems. Microsoft is looking to break into the market but feels that Itanium 2-based hardware is too expensive and less powerful for the small clusters that it expects users to build around Windows Server 2003.

"When you look at our target market – the departmental clusters – Itanium 2 is a bit outside the reach [of users] in terms of budget and in terms of needed computing power," said Greg Rankin, a senior product manager at Microsoft.

Microsoft this month updated its software plans for the Windows Server 2003 Compute Cluster Edition, which previously was called the HPC Edition. A first beta release of the software was due this year but has slipped to March or April, Rankin

said. The commercial release is still slated for late 2005. Support for Itanium 2 will be added in the second release of the operating system, Rankin said, but a shipment date for it hasn't yet been set.

Officials at Hewlett-Packard Co. understand that Microsoft chose to limit support x86 processors because they have higher sales volumes than Itanium 2, said Ed Tavel, manager of product marketing at HP's HPC division. But HP, which uses Itanium 2 in its Integrity line of servers, is pushing Microsoft to add support for the 64-bit chip "as quickly as possible," he said.

Microsoft is clearly aiming for the sweet spot in the market in terms of volume, said Nathan Brookwood, an analyst at Insight 64 in Saratoga, Calif. HPC is one part of the IT industry where Microsoft doesn't enjoy an installed-base advantage over its rivals, Brookwood noted. "Microsoft is going to have to fight tooth and nail for every HPC sale it gets."

— JOHN EVERETT  
IDG News Service

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DON TENNANT

# Don't Lose Your Voice

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Then after the presentation, a ComputerWorld reporter approaches the speaker to ask for a few points to be clarified or elaborated upon. He's happy to oblige and begins to explain a particular point when he notices that the reporter is taking notes as he listens. And then the presenter drops the bomb. "You know you can't write about this."

Excuse me? You've just spilled your guts in a public forum in which hundreds of people from across the IT spectrum were given detailed knowledge of your project, and we can't write about this? From whom are you trying to withhold the information, and what on earth makes you think it's not already in the public domain? What are you thinking?

That last question was rhetorical. I know what he's thinking. He's thinking that if his company's PR people see comments from him in print that they haven't vetted, he's going to be chastised for failure to adhere to corporate communications policy — regardless of how nonsensical and inconsistent the policy may be.

This is disturbing. The amount of bureaucratic red tape involved in making information from your peers



available is threatening to tie our hands to a degree we all need to be concerned about. Ask any corporate IT professional to identify the most credible and most valuable sources of information, and he'll almost invariably name other corporate IT professionals. Not vendors, not analysts, not consultants, as important as all of them may be. So corporate policies that place restrictions on the free flow of information — policies that often require people to get their PR and legal departments to sign off on their comments to the press — limit your exposure to the information you find most valuable in order to do your job.

Especially disturbing is the threat that some government tech workers will be silenced even more resolutely than their corporate counterparts. CNN reported last week that the De-

partment of Homeland Security is considering requiring all of its employees to sign "confidentiality agreements" that prohibit them from disclosing unclassified "sensitive" information. The problem is it's entirely unclear what constitutes sensitive information. And the concern is that anything that some DHS bureaucrat decides he doesn't want to see in print or have discussed as a conference will suddenly be determined to be sensitive.

The relative openness of the DHS has yielded some excellent Computerworld stories on IT consolidation and cybersecurity — issues that are of paramount importance to IT professionals. It would be a shame to see that openness vanish in a wisp of sensitive-information smoke.

So what's an IT professional to do? If nothing else, question any corporate communication policies that restrict you from sharing professional information with your peers.

We call ourselves "The Voice of IT Management," but in truth that voice is yours. Whatever you do, don't lose it. **O 5099**

*Don Tennant*



DAVID MOSCHELLA

## IT's Run of Stability About to End?

**O**VER THE PAST 40 years, countless IT suppliers have come and gone, and the way organizations use computers has expanded beyond what anyone could have imagined in 1964. To the point of cliché, IT people repeat say that change has been our industry's only constant. Yet despite all of this undeniably turmoil, there are two parts of the IT universe that haven't changed proportionately: IT organizations and the IT services companies that support them.

The latter is easier to demonstrate. While Burroughs, Digital, Wang, Cullinan and many other product companies vanished long ago, the same four services firms — IBM, Electronic Data Systems, Computer Sciences Corp. and Accenture (formerly Andersen Consulting) — have been the dominant players for as long as the IT services business has existed.

Powerful disruptive forces clearly have affected the hardware and software sides of our industry, but no such forces have affected the services sector, at least thus far.

While this is an intriguing topic in its own right, it also helps us understand why the corporate IT organization has also been relatively stable. Apparently, there is something about the nature of individual customer work that makes it less susceptible to change than the product side of our business. Whether this work is done by in-house staff or a service company seems to make very little difference.

Can this extraordinary stability be maintained? Recently, I have been doing research to try to forecast the future of the IT organization, and I've increasingly been coming to the conclusion that change is finally on the way. There seem to be three main forces that could transform the way IT is used and managed.



**increased business control.** As IT becomes more deeply embedded in a company's actual products and services, it's likely that many businesses will want to take more direct control over business-critical IT projects. It probably makes sense for businesses to own the applications they rely on, with shared infrastructure and horizontal applications becoming the primary concern of the IT organization.

**Alternative sourcing.** Certainly, outsourcing remains an alternative for managing an organization's IT infrastructure, and the increasing marketplace focus on grid and utility computing suggests that the provision of capacity by third parties will rise in popularity. But such capacity services are now largely a commodity business, and both customers and outsourcing suppliers are struggling to find more dynamic, value-creating models.

**Public infrastructure.** In an abstract sense, IT organizations and IT services companies are both in competition with the Internet. This ever more capable public infrastructure will prove to be an increasingly attractive alternative to both in-house and outsourced IT solutions in areas such as collaboration, mobility, and ASP-style services.

These three forces clearly have the potential to reshape the roles of both IT organizations and their service providers. But since there is so much IT work to do, it's not a question of whether either group will go away. Instead, it's likely that both sectors could start to change as dramatically as other parts of the IT industry have.

But while this logic seems sound, the real forecasting challenge is getting the timing right. Will this restructuring take seven or 17 years to play itself out? Despite all the changes our industry has seen, individual transitions are often a lot slower than they appear in retrospect. My guess is that by the end of this decade, we will look back and see that fundamental changes have indeed taken hold for IT organizations and services providers alike. **© 50866**

PIMM FOX  
Workers of  
The IT  
World, Unite!

I<sup>T</sup> workers banding together to form unions? How 20th century.

A new report from the University of Illinois at Chicago reveals that 403,300 jobs were lost in the IT sector from March 2001 to April 2004 (download the report at [QuickLink.sil303.org](http://QuickLink.sil303.org)). And the majority of the positions were lost after the IT recession came to an official end in November 2001.

The combination of outsourcing and uncertainty over the future of business growth probably means there won't be a rash to hire lots of IT staffers, even if the U.S. economy starts humming again. Microsoft this week will break ground for a new facility in — you guessed it — Hyderabad, India. There's nothing intrinsically wrong with that: labor and capital flow where they can be efficiently employed. But it seems odd that U.S. IT workers are only now waking up to the threat of offshore labor and tightened corporate budgets. Sure, there have been political efforts to cut the number of foreign workers in the U.S., and a campaign to tar and feather companies that move work to lower-cost regions halfway around the globe. But only in numbers will IT workers have the clout they need to strike a chord with policy-



makers and corporate officials.

Over the years, the benefits of working under union rules have been blurred by the back-and-forth about the abuses of unions in the workplace. But unions working together with management can make a positive difference for workers, customers and investors. This was best demonstrated years ago, when Owen D. Young, chairman of General Electric from 1922 to 1939 and creator of Radio Corporation of America (the "IT" leader at the time), pushed for economic and welfare programs to counter the effects of the Great Depression on workers.

Today, there are organizations trying to increase the ranks of the represented among the employees of major IT companies. The Washington Alliance of Technology Workers, founded in 1998 and affiliated with the Communications Workers of America, has been active at the state and federal levels. Its main issue is outsourcing, but it's also involved in the mundane area of collective bargaining.

That's important as well, because most IT workers aren't part of the elite

group earning six-figure salaries. Indeed, there are many part-time and contract workers who don't receive health or pension benefits and are seldom represented at the bargaining table. In fact, for many IT workers, there isn't a bargaining table.

To a great extent, the individual, professional and skilled nature of many IT jobs provides an intellectual security blanket that has helped programmers, systems technicians and other IT managers remain blissfully ignorant of the slow leak of jobs to their comparatively skilled but lower-paid colleagues overseas. But while the voice of the individual is currently outweighed by the vast cost savings that outsourcing represents to some companies, the calls by unions to debate and explore remedies to sustain our domestic IT industry can't carry the day unless they are backed by the IT workers whose fortunes and futures are at stake.

Without union representation, IT workers will have to take what is given them, and that might not be such a good deal. **© 50821**

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## Project Know-how

### CERTIFY CONSUMERS' Ken

Or seem to have no clue about what it means to be a certified project manager or how to manage a project of any size? "How to Manage a Large-Scale IT Project," QuickLink 50401. To quote: "I'm not sure what it means to be a 'certified' project manager if you haven't actually managed a large project yourself." To get a certification in project management, you must have project management experience, and you have to pass a rigorous test. Experience isn't enough.

Or so said. "The candidate should be grilled on his experience with large projects. How large a project has the candidate run or worked on?" But how can a project manager have experience on a large project if he needs experience to get on one? Actually, small and large projects have the same processes. The way to know if a project manager can manage a

project of any size is to verify his project records. Did he finish on time, on budget, with quality and with satisfied users?

R. Trivello  
Senior project administrator,  
Raleigh, N.C.

## Prepping Grads

### ARINDRA BHOWMIK's column

"What to Tell the Kids?" (QuickLink 49732) featured some very good tips on what future professionals should focus on in developing their careers. The only problem: Course work in accredited and highly regarded CIS/CS programs gives very little focus to business process design and management, information management, relationship management and vendor management. These disciplines are much more easily developed in a business administration program. For instance, I was promoted to a position where business process management is the focus, based solely on my ability to think, speak and write

clearly — skills that are sorely lacking in most of the technical staff at my company.

If CIS/CS programs around the country don't give a more well-rounded focus, they won't prepare graduates for the changing work environment, where more than technical ability matters. Computerworld would do well to publicize colleges and universities that respond to the working world's demands for better-trained managers and designers in these key skills.

L.M. Campeo  
ERP systems administrator,  
Flushing, N.Y.  
[L.campeo@earthlink.net](mailto:L.campeo@earthlink.net)

## The Promise

### Of The Power Mac

FOR MORE seriously users, Apple may have reached a point where it offers more speed in its top-end machines than we can realistically take advantage of ("The Dual 2.5-GHz Power Mac G5: Undisputed Power," Quick-

Link 5140). This is good news, in that you can save \$600 by opting for Apple's midrange Power Mac, which offers dual 2.6-GHz G5 processors, or even the just-introduced single-processor 1.8-GHz G5 model, which goes for just \$1,400.

With those kinds of savings, you can buy a heck of a lot of RAM, and Mac OS X loves memory. Could this be the budget-busting people have been asking Apple for?

Robert Wright  
Photographer, Brooklyn, N.Y.

COMPUTERWORLD welcomes comments from its readers. Letters will be edited for brevity and clarity. They should be addressed to James Eakin, letters editor, Computerworld, PO Box 9171, Speen Street, Framingham, Mass. 01701. Fax: (508) 675-4843; e-mail: [letters@computerworld.com](mailto:letters@computerworld.com); include an address and phone number for immediate verification.

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DON TENNANT

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DAVID MOSCHELLA

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DAVID MOSCHELLA is global research director at CSC Research and Advisory Services, a Computer Sciences Corp. company. Contact him at [dmoschella@csc.com](mailto:dmoschella@csc.com).

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But while this logic seems sound, the real forecasting challenge is getting the timing right. Will this restructuring take seven or 17 years to play itself out? Despite all the changes our industry has seen, individual transitions are often a lot slower than they appear in retrospect. My guess is that by the end of this decade, we will look back and see that fundamental changes have indeed taken hold for IT organizations and services providers alike. **□ 5096**

A new report from the University of Illinois at Chicago reveals that 403,300 jobs were lost in the IT sector from March 2000 to April 2004 (download the report at [QuickLink.it/5130](http://QuickLink.it/5130)). And the majority of the positions were lost after the IT recession came to an official end in November 2001.

The combination of outsourcing and uncertainty over the future of business growth probably means there won't be a rush to hire lots of IT staffers, even if the U.S. economy starts humming again. Microsoft this week will break ground for a new facility in — you guessed it — Hyderabad, India. There's nothing intrinsically wrong with that; labor and capital flow where they can be efficiently employed. But it seems odd that U.S. IT workers are only now waking up to the threat of offshore labor and tightened corporate budgets.

Sure, there have been political efforts to cut the number of foreign workers in the U.S., and a campaign to tar and feather companies that move work to lower-cost regions halfway around the globe. But only if numbers IT workers have the clout they need to strike a chord with policy-



PIMM FOX is a London-based journalist. Contact him at [pimm@computerworld.com](mailto:pimm@computerworld.com).

makers and corporate officials.

Over the years, the benefits of working under union rules have been blurred by the back-and-forth about the abuses of unions in the workplace. But unions working together with management can make a positive difference for workers, customers and investors. This was best demonstrated years ago, when Owen D. Young, chairman of General Electric from 1922 to 1939 and creator of Radio Corporation of America (the "IT" leader at the time), pushed for economic and welfare programs to counter the effects of the Great Depression on workers.

Today, there are organizations trying to increase the ranks of the represented among the employees of major IT companies. The Washington Alliance of Technology Workers, founded in 1998 and affiliated with the Communications Workers of America, has been active at the state and federal levels. Its main issue is outsourcing, but it's also involved in the mundane area of collective bargaining.

That's important as well, because most IT workers aren't part of the elite

group earning six-figure salaries. In deed, there are many part-time and contract workers who don't receive health or pension benefits and are seldom represented at the bargaining table. In fact, for many IT workers, there isn't a bargaining table.

To a great extent, the individual, professional and skilled nature of many IT jobs provides an intellectual security blanket that has helped programmers, system technicians and other IT managers remain blissfully ignorant of the slow leak of jobs to their comparatively skilled but lower-paid colleagues overseas. But the voice of the individual is currently out-weighted by the vast cost savings that outsourcing represents to some companies. And the calls by unions to debate and explore remedies to sustain our domestic IT industry can't carry the day unless they are backed by the IT workers whose fortunes and futures are at stake.

Without union representation, IT workers will have to take what is given them, and that might not be such a good deal. **● 50821**

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## EMPLOYEE

### Project Know-how

**C**UTTER CONSULTANT'S Ken Orr seems to have no clue about what it means to be a certified project manager or how to manage a project of any size ("How to Manage a Large Scale IT Proj. etc.", QuickLink 50401). To quote, "I'm not sure what it means to be a 'certified' project manager if you haven't actually managed a large project yourself." To get a certificate in project management, you must have project management experience and have to pass a rigorous test. Experience isn't enough.

Or so said. "The candidate should be grilled on his experience with large projects. How large a project has the candidate run or worked on?" But how can a project manager have experience on a large project if he needs experience to get one? Actually, small and large projects have the same processes. The key is to know a project manager can manage a

project of any size to verify his project records. Did he finish on time, on budget, with quality and satisfied users?

**R. Trevino**  
Senior project administrator,  
Raleigh, N.C.

### Prepping Grads

**B**ARBARA CONGDON's column "What to Tell the Kids" (QuickLink 49732) featured some very good tips on what future professionals should focus on in developing their careers. The only problem: Course work in accredited and highly regarded CS/IT programs gives very little focus to business process design and management, information management, relationship management and vendor management. These disciplines are much more easily developed in a business administration program. For instance, I was promised to a position where business process management is the focus, based solely on my ability to think, speak and write

clearly — skills that are sorely lacking in most of the technical staff at my company.

If CS/IT programs around the country don't give a more well-rounded focus, they won't prepare graduates for the changing work environment, where more than technical ability matters. Companies would do well to partner with colleges and universities that respond to the working world's demands for better-trained managers and designers in these key skills.

**L.M. Campos**  
ERP systems administrator,  
Flushing, N.Y.  
[lcampos@earthlink.net](mailto:lcampos@earthlink.net)

### The Promise Of The Power Mac

**F**OR MORE Internet users, Apple may have reached a point where it offers more speed in its top-end machines than we can realistically take advantage of. [The] Dual 2.5-GHz Power Mac G5 (underlined Power Mac

G5) has a good news, in that you can save \$500 by opting for Apple's midrange Power Mac, which offers dual 2.0-GHz processors, or even the just-introduced single processor 1.8-GHz G5 model; it goes for \$1,499.

With these kinds of savings, you can buy a heck of a lot of RAM and Mac OS X lives memory. Could this be the budget line people have been asking Apple for?

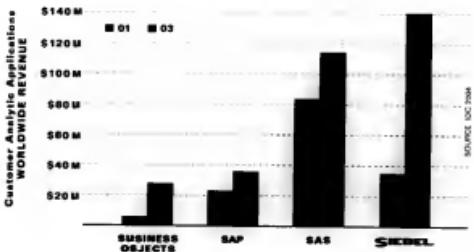
**Robert Wright**  
Photographer, Brooklyn, N.Y.

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**C**For more letters on these and other topics, go to [www.computerworld.com/letters](http://www.computerworld.com/letters).

**PIMM FOX**  
**Workers of The IT World, Unite!**  
IT workers banding together to form unions? How 20th century.

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# TECHNOLOGY

11.22.04

## FUTURE WATCH Pointlist Protection

Network defense mechanisms in development at Carnegie Mellon's CyLab could provide an early-warning system to guard against virus and worm attacks by identifying and protecting critical nodes before the malicious code can spread. [Page 30](#)

## CASE STUDY

**Help Keeps Transit System Moving**  
It's been clear sailing at the Port Authority of Allegheny County in Pittsburgh since it introduced help desk software to streamline processes and regain control over climbing call volumes. [Page 28](#)

## SECURITY MANAGER'S JOURNAL Network Visibility Goal Gets Trimmed

When our security manager asks for total visibility, the technical team delivers a reality check — and a distributed intrusion detection system plan that delivers what's possible. [Page 32](#)



## STANDARDS:

# High-Stakes GAME

**Money and politics are playing a bigger role in the standards-setting process. By Robert L. Mitchell**

**MORE THAN EVER,** businesses rely on IT products and services built around standards. But that demand, and the evolution of the industry, is changing how standards are created — and who creates them. The old image of a group of engi-

neers working together to find the best technology to solve a problem is giving way to new realities.

As the market for IT products and services has grown, the stakes for vendors and users have increased. An emerging

technology such as ultrawideband (UWB) may open up a market worth \$1 billion or more. With so much at stake, participation in standards groups has swelled, and vendors have pushed harder to have their technologies adopted as standard. That

has made it difficult to reach consensus in some cases and created deadlock in others. And increasingly, vendors are trying to generate revenue by licensing intellectual property rights on the technologies they advocate as standards, rather than donating them for the common good.

"You now have compromises that are not just mathematical compromises or technical compromises but have major marketing compromises behind them," says Jim Carlo, president of the IEEE Standards Association.

Meanwhile, the evolution of more sophisticated systems has increased costs and worked against interoperability. At MasterCard International Inc., the challenge lies in getting industry-standard equipment to interoperate when inserted into complex systems such as its storage-area network (SAN).

"There are issues as you drill down into the management and interoperability of complex environments," says Jim Hull, vice president of engineering services at the Purchase, N.Y.-based financial services company. "You need to ask vendors whether they interoperate and at what level."

But some changes are also paying



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## Setting Web Standards

**TIM BERNERS-LEE** is the creator of the World Wide Web and founder of the World Wide Web Consortium (W3C) in Cambridge, Mass. Berners-Lee is currently working on the Semantic Web, a framework for making Web content understandable by machines as well as people. In an interview conducted via e-mail with Robert L. Mitchell, he discussed the W3C and the challenges of developing standards.

Why did the world need the W3C — yet another standards group? There was not a group that was ready to focus on the layers of technology above the protocols layer that could draw upon the rich community of users. W3C appeared at a time when some of the most serious concerns had to do with fragmentation of the basic Web technologies, namely HTML... and we had to find a way to bring the actors to the table for the greater good.

Prior to founding the W3C, you first took HTML to the IETF. Why didn't it work out? I did start by taking HTML to the IETF, as I had

been involved with the IETF for Internet protocols. That didn't work out largely because the people with markup experience were a different set: They joined the later W3C HTML Working Group when it was formed, which was very successful in bringing the fragmented HTML versions back to a single standard.

Why are there so many consortia and vendor groups presenting their own standards today? Recognizing that standards are now what customers demand, we see more of these marketing initiatives under the name of "standard." And of course, it makes sense that vendors might want to ensure that they can remain as much control as possible over the development of a standard. They're probably going to have to make products that support it. If a vendor group can control both the technical development and the marketing, then it's more appealing to the vendor — but not necessarily to the customer.

If you look at the rate of creation of new lots of the type which are formed by a few controlling founders, then in fact this is not new — it has been happening for a long time. Many of these are being formed as a marketing exercise, to build up some brand recognition. I don't think there is anything wrong with that, per se, except when it gets labeled a standard.

Successful industry standards are issued by authoritative organizations and are widely accepted by the market. "A standard is an indication that you are buying a technology that has proved itself," says Alan Bryden, secretary general of the International Standards Organization (ISO). And while standards in and of themselves don't ensure interoperability, they are a necessary precondition.

### Opportunity Beckons

To Hull, a successful standard is one that lets him find a second source and receive competitive pricing for storage networking equipment that will plug and play with his SAN. "Because I approach it from a standards perspective, my interoperability issues go away," he says.

For vendors, standardization results in the opportunity of a broader market and the expense of increased competition. "The companies involved need to decide when it is to their advantage to enlarge the pie even though they may lose market share," says Carlo.

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American National Standards Institute, which represents the U.S. in the ISO and in other national standards bodies. Now many specifications come from hundreds of organizations, including vendor alliances, consortia and other industry groups.

Such groups have proliferated in recent years. Organizations pop up when existing standards bodies are seen as being too slow to respond, lacking expertise or dismissed in an emerging technology. In some instances, vendors strike out on their own, believing that their technologies won't get a fair hearing if they go to an established group.

That was the reasoning behind the formation of DCML.org, a vendor consortium founded by Openware Inc. a year ago to promote the Data Center Markup Language for exchanging information between management systems in data centers.

"If you bring it to a standards organization too soon, it will not have a chance to evolve on its own merits," says Tim Howes, Openware's chief technology officer and chairman of the DCML Framework Technical Committee. But DCML.org was ignored by major data center software vendors.

How do you think the world has changed in terms of what it takes to create a standard? A lot is at stake in terms of application, both commercial and noncommercial. We've seen what happens when people and organizations sacrifice interoperability for speed.

There are also more people who are interested in participating in the production of a standard and more interested in using the end result. There is the continued desire to ensure that what gets built today works with what was implemented some time ago.

Given the importance of projects such as the Semantic Web, are you working with other standards organizations to get its

elements more broadly supported? There has been relevant work done in the IEEE, though it doesn't come with the same connection to Web architecture — it doesn't use [Uniform Resource Identifiers] to identify everything, for example. The work on conceptual graphs, which is closer to Semantic Web work, went from the IEEE to ISO. However, the core standards for the Semantic Web, a growing stack based on the Resource Description Framework [RDF] and the Web Ontology Language, were developed at W3C and are W3C recommendations.

I think the largest lesson may be in the area of core ontologies for specific applications, which could use a lot of connectivity. Calendar events are standardized in Calendar of the IETF, and the RDF community is figuring out what they mean for conversion to RDF and then integration with other data, and the same is happening with media metadata as well as financial information.

I think the challenge and opportunity for the future is to get new groups in the application areas, especially at other standards bodies, to initially think in a Semantic Web way, so their work will join together without having to be reverse engineered. So in many ways, the Semantic Web technology has to connect very well to specialized communities.



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"DCML may have been an attempt at a standard, but it certainly wasn't open," says Alan Ganek, vice president of autonomic computing at IBM. But DCML.org recently became part of the Organization for the Advancement of Structured Information Standards (OASIS), and Ganek says IBM may take a second look.

It's not uncommon for large players to join a standards effort late, says Patrick Ganon, president and CEO of OASIS. "It's only when there's a clear indication from the market that they come on board," he notes.

Harald Alvestrand, chairman of the Internet Engineering Task Force, says what's often missing in standards organizations is significant user participation. In most cases, IETF standards efforts are driven by vendors.

"The standards process would deliver better standards if users were more active within it. [Users] inform the discussion in ways that other people can't," Alvestrand says.

## Making It Work

One subject on which customers continue to speak loudly is interoperability, and many industry associations are doing both compliance and interoperability testing.

For example, early implementations of both 802.11 and 802.11b wireless LAN cards and access points were "somewhat proprietary" and wouldn't interoperate, says Ken Pasley, director of wireless systems development at FedEx Services, part of FedEx Corp. "We put enough pressure on the manufacturers that they began to comply more," he says.

The situation has improved since the Wi-Fi Alliance began certifying equipment for interoperability, Pasley notes. But vendor claims still go beyond the levels actually supported. "Many times, they will say it will run with your application, but they don't know what your application is," Pasley says. He says he trusts the specifications but adds, "We have to test on our own."

Vendors are also testing earlier in the standards development process, says Scott Valcourt, managing director of the University of New Hampshire Interoperability Laboratory, which does testing for vendor groups working on communications technologies. Increasingly, the lab is getting involved with standards right from the start. The result is better interoperability, he says. "When a technology exists, in this day and age, every device using that technology should be interoperable," Valcourt says.

**TD USERS**, the value of standardization lies in interoperability, but a standard is just the first step. "The reality is that a standard does not address interoperability," the standard says. "This is the way you build it," says Bob Sivley, chairman of the International Committee for Information Technology Standards' T11 Fiber Channel Interfaces Committee. While standards are a prerequisite for interoperability, Sivley says vendor cooperation and testing are required to translate specifications into compatible designs.

"The standards developers often are not the people who are building the products. So what looks good on paper may need to be done in just a little bit different way," says Scott Velcourt, managing director of the University of New Hampshire Interoperability Laboratory. Since

But that's still not the reality, says MasterCard's Hull. "It's not a perfect world, and there's a long way to go to ensure that [products] interoperate."

Even when vendors are interested in developing a standard, they don't always agree on the details. The Institute of Electrical and Electronics Engineers Inc.'s study group for the UWB specification for wireless communications remains deadlocked after two years. Neither of two competing camps, led by Intel Corp. and Motorola Inc.'s Freescale Semiconductor Inc., has the votes

**WHO CAN YOU TRUST?**

## **Testing Ensures Interoperability**

the late 1980s, the lab has worked with industry consortia in testing many emerging communications technologies, including 10 Gigabit Ethernet and wireless LANs. The lab also hosts "plug fests," where vendors can test product designs before they go to market. It does not, however, release tests to the public or consider intellectual-property rights.

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Valcourt says such certifications lose meaning over time as the standard and products evolve. [Testing] is never really done, because there are always new products coming out, there are always revisions, and with most certifications, there is no going back and retesting," he says. "The matrix [of products] just becomes too unwieldy."

But that hasn't stopped other vendors from trying. For example, the Blue-

tooth Special Interest Group certifies compliant products, as does the Wi-Fi Alliance. The latter has tested more than 1,500 products over the past four years.

"One of every four products that comes into our lab fails the first time," says Frank Hanzik, managing director at the Austin-based alliance. Early testing is a way to improve products and reassure the market, he adds.

The Wi-Fi Alliance keeps its scope focused on basic connectivity. "We focus on the physical and MAC layers of the technology stack," says

the technology stack," Hanzlik says. But even that level of testing will become more challenging in the future. "We are adding more and more sophisticated standards, where you have a lot more variables," Hanzlik says.

THEORY

are two types of companies developing standards. One wants to build products that are interoperable. The other wants to generate money from intellectual

The most obvious examples are in the area of digital rights management, where vendors own patents for different types of encryption and copy-protection schemes, Cadio says. So far, however, the IEEE and other respected

standards groups have resisted the pressure. "We have a royalty-free patent policy," says Steve Bratt, chief operating officer and acting chairman of the World Wide Web Consortium.

For most users, however, having consistently interoperable products is still the immediate concern. "I'd still like to see a longer-term commitment to certification between [vendors] for their products. This would help ensure that what was tested and worked last year still works even though new releases of the products have been implemented," says Hull. But, he adds, "it's still far better today than it was 20 years ago." © 50628

#### **MORE STANDARDS CONVERGE**

- **China Syndrome:** Keeping emerging economies in the standards fold can't save QuickLink 50831
  - **Rating Group Effects:** A standard is only as good as the organization that created it. Here's how they stack up: QuickLink 50832
  - **Standards Overload:** A rapid succession of wireless LAN standards is overwhelming administrators: QuickLink 50833
  - **Wireless LANs: The Good, the Bad, and the Ugly:** QuickLink 50834

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-Robert L. Mitchell

But that's still not the reality, says MasterCard's Hull. "It's not a perfect world, and there's a long way to go to ensure that [products] interoperate."

Even when vendors are interested in developing a standard, they don't always agree on the details. The Institute of Electrical and Electronics Engineers Inc.'s study group for the UWB specification for wireless communications remains deadlocked after two years. Neither of two competing camps, led by Intel Corp. and Motorola Inc.; Freescale Semiconductor Inc., has the votes

needed to move forward. "The engineers are not listening to each other anymore," laments Martin Roethke, director of UWB operations at Freescale.

"Today, because there is the perception that [UWB] could be a major business opportunity and major vendors are involved, it makes it very difficult to compromise," says the IEEE Standards Association's Carlo.

Stephen Wood, technology strategist at Intel, says the failure was not starting the standards process earlier, before Freescale had committed resources to developing its own technology. But other consortia have collaborated to develop specifications before bringing them to a standards body.

That's how Serial Attached SCSI came about, says Skip Jones, Serial Forum chairman at the Fibre Channel Industry Association. Whether it's a standards group or vendor alliance, key vendors must be willing to compromise. "My view is to let the marketplace decide [about UWB] rather than spend years in standards meetings trying to work a solution," says Carlo.

Both technologies may well move forward without a standard or even an agreement to prevent interference. And ultimately, such competition may be good for the market. But the initial cost to customers will be compatibility problems and confusion.

Increasingly, vendors have an interest in more than just selling products based on a standard, says Carlo. "There

are two types of companies developing standards. One wants to build products that are interoperable. The other wants to generate money from intellectual property in those standards," he says.

The most obvious examples are in the area of digital rights management, where vendors own patents for different types of encryption and copy protection schemes, Carlo says. So far, however, the IEEE and other respected standards groups have resisted the pressure. "We have a royalty-free patent policy," says Steve Bratt, chief operating officer and acting chairman of the World Wide Web Consortium.

For most users, however, having consistently interoperable products is still the immediate concern. "I'd still like to see a longer-term commitment to certification between [vendors] for their products. This would help ensure that what was tested and worked last year still works even though new releases of the products have been implemented," says Hull. But, he adds, "it's still far better today than it was 20 years ago." **GROK28**

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### WHO CAN YOU TRUST?

Have an open membership and open processes

Follow a consensus or belief-driven approval process

Are committed to maintaining and updating existing standards over time

Are widely recognized and respected in the industry

Have a track record of successful standards accepted by the market

May be recognized or accredited by ANSI in the U.S. and by international bodies such as the ISO

# HELP KEEP TRANSIT SYSTEM MOVING

New help desk software eases the burden on Pittsburgh port authority service reps and ensures user access to critical applications. BY LINDA ROSENCRANCE

**ON THE LAST YEAR,** the Pittsburgh-based Port Authority of Allegheny County had no centralized system for handling help desk calls from its 872 users.

The agency's 22 support representatives were overwhelmed with the 150 to 200 help desk calls they were receiving each day. The port authority has 3,300 employees and provides bus and light rail service to 68 million riders annually in Pittsburgh, Allegheny County and parts of three other counties.

The problem was that the authority's hometown Microsoft Access Help Desk database management system couldn't handle all the calls and help requests.

"Approximately 55% of the help desk calls are for our Peoplesoft ERP application — both financials and HR/payroll, e-mail — which is Microsoft Outlook, a vertical market product for dispatching and scheduling, and Microsoft Office," says Wayne Hammond, the port authority's director of IT administration. The majority of the other calls are related to hardware, security and telecommunications, he adds.

The agency needed a way to streamline the requests and track each sup-

port staff member's trouble tickets, says Steve Dudzik, a port authority support representative. "The only way our support reps used to have access to the tickets was when the help desk call was created, and our help desk manager would e-mail that ticket to them," he says. "There was no way to check on their current status."

After looking at a few help desk products, the port authority selected HelpStar technology from Help Desk Technology International Corp. in Crestview, Fla. The main reason was money, according to Hammond. He had only about \$6,000 to spend.

"We felt we needed to get a [commercial off-the-shelf] product, rather than working to develop something in-house," he says. "We were working with a limited budget, so we had to find something we felt would work — that had a Web interface. And we were hoping it would be open, like in a SQL platform that we could create reports from. And we wanted to be able to have everybody access this system."

The other packages he looked at did all the right things, but the port author-

ity couldn't afford them, so it chose the HelpStar software, which was priced at about \$4,200, Hammond says.

With HelpStar, which runs on a Microsoft SQL Server 2000 database, a new service request is created for each new job, call or action undertaken by the help desk, says Gemma Young, product manager at HelpStar.

End users can submit service requests from their Windows clients, over the Web or via e-mail. Those requests are converted into help desk tickets, and remote support staffers can open and update requests via the Web interface, Young says.

"HelpStar allows support reps to access their tickets from anywhere on the network by going through the Web interface, and it reduces the amount of e-mails we have to send out," says Hammond. "We also liked that through the Web interface, users can enter their own tickets and don't need to call the help desk anymore."

When a support representative is assigned a trouble ticket, a notification comes up on his screen, Dudzik says.

"The system checks for these notifications about every five minutes for us, but that's customizable," he says.

## Automatic Routing

Once a request is made, it's automatically forwarded to the dispatch area. From there, a dispatcher, usually a support rep, will assign a priority to the request and direct it to the relevant queue, a temporary holding area for requests grouped by the particular skill required to solve them, Young says.

The requests are then sent to the most-qualified support staffers, who

are prompted to work on the highest-priority requests that have been waiting the longest time, she says.

"The end users also have the ability to use the Web interface to check for solutions to their problems via the knowledge database — a database of common problems and their solutions," says Young. "Users can also check on the status of any existing requests they have logged with the help desk by e-mail or a Web interface."

And if one staff member's workload is reduced at a particular time, he can view the other outstanding tickets and assign one to himself, says Hammond.

The port authority has 10 locations, and if a support rep is handling a problem at a branch office, he can check the other tickets to see if anything else needs to be done there before going back to the central office. "Before, there was no way of knowing without making a phone call," says Hammond.

The port authority also keeps an account of every phase of the ticket, so support reps can see the whole history of the ticket from when the help desk worker or the user entered it.

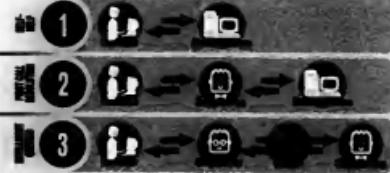
The HelpStar client software was installed on the 22 support reps' desktop PCs, which are Dell GX-2705 machines with 2.6-GHz Pentium 4 processors, 512MB of RAM and 40GB hard drives running Windows 2000, Service Pack 4. The server package runs on a Dell PowerEdge 2400 server with dual 66-MHz Pentium III processors with 1GB hard drives running Windows 2000 Service Pack 3. Hammond says.

Installation of the HelpStar software took six to eight hours and was "trouble-free," Hammond says. © 2004

## CASE STUDY

### THREE-PARTNED RESPONSE TO DISTRESS CALLS

- HelpStar software manages help desk inquiries at three levels:
- ① End users can use the software for self-service resolution of problems.
- ② Users can contact a support rep to sort through options and find the best solution.
- ③ If all help desk reps are busy, users go through a dispatcher who uses HelpStar to direct them to the queue for the most appropriate service rep.



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**Samsung's 193P display**

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## FUTURE WATCH

**CARNEGIE MELLON UNIVERSITY** is researching some of the biggest challenges in computer security: data availability and systems reliability through a year-old interdisciplinary program known as CyLab.

Funded with federal dollars and contributions from 40 private companies, CyLab brings together graduate students and 30 professors, mostly in computer sciences, to work in teams on a wide range of research areas.

For example, in September, Pittsburgh-based Carnegie Mellon won a \$6.4 million grant from the National Science Foundation for an initiative called Security Through Interaction Modeling (STIM), which studies complex interactions between people, the computers they use and attacks from the outside. STIM will explore means of improving computer defenses by incorporating the models' behaviors into the defenses themselves.

Another CyLab project takes the name of the French impressionist painter Georges Seurat, who painted vast canvases with many tiny dabs, or "points," of paint, a process dubbed pointillism. The Seurat team at CyLab is developing methods to monitor anomalous behavior that may be induced by buffer overloads and other glitches. The Seurat technique compares a precomputed profile of how a system should be performing to the combination of all the application interactions with the operating system. "So it looks at a profile of what this system should be doing and says maybe this thing has been corrupted," explains Mike Reiter, technical director of CyLab and a professor of computer engineering and science. "It can track accesses and changes across many machines all at once or in a short time period."

The Seurat project is so named because there are many layers, points or places where one might measure what is going on in a system in order to see evidence of an attack, much the same way the 19th century painter discovered that what we see comprises many points of color and light.

The Seurat technique is a broad-brush approach to security, and indeed, the overall scope of CyLab's \$10 million annual research mission is broad, says Pradeep Khosla, dean of the Carnegie Mellon College of Engineering and co-director of CyLab.

"We want a world where we can push measurable, sustainable, secure, trustworthy and available data," explains Khosla. He says CyLab will attempt to help reduce the number of bugs in software, for example.



CyLab is developing network defense mechanisms for virus and worm attacks. Carnegie Mellon researcher Chenxi Wang says the idea is to detect an infection early and have the network react to it in real time to mitigate damage. The secret is to quickly identify those few critical nodes, shown here in red, that must stop the spread of malicious code so that they can be "immunized or patched," Wang says. The work is supported by a National Science Foundation grant of \$1.5 million and is being conducted by Carnegie Mellon and industry partners Symantec Corp. and Akamai Technologies Inc. Researchers are also looking at network vulnerabilities in a separate effort called the Seurat Project.

Khosla estimates that for every dollar spent on computer hardware and software, it takes \$6 to \$8 in personnel costs to maintain it. For that reason, vulnerability analysis is part of the CyLab program as well as malicious code detection.

But even more basic, several projects at CyLab are devoted to creating self-healing systems that can survive malicious attacks, Khosla says. "We know attacks exist, so you can either build a system that survives the attack or find a way to stop the attack," Khosla says. "But trying to find a way to stop attacks

is akin to saying, 'I'll kill all the bacteria and viruses out there.' Instead, we are going to find a way to live with worms and attacks with self-healing."

CyLab's immediate work on self-healing is a project called Self Storage System, which researchers are about to demonstrate to the U.S. Army and will show publicly in six months or so. The idea is that there is no single point of failure in a system, especially storage, so if a piece of information is corrupted, the system can quickly determine that and automatically set itself back to its original state. The system survives the attack without actually finding a way to prevent it, Khosla explains.

Reiter says Self Storage is also about improving management of large-scale storage systems in a process some call autonomic computing.

### Cell Phone Remote Control

Another vision at CyLab is to use smart phones as ubiquitous access control devices. It is an idea that mobile phone companies have already implemented, but CyLab is working on new approaches to making that vision very scalable.

As a hypothetical example, Reiter cites the intrepid business traveler flying halfway around the world and using his cell phone as a key to open his hotel room door. The idea goes far beyond promoting a single standard and instead involves what Reiter calls a "flexible access-control network which allows new policies to be introduced into a system to permit devices to work."

The traveler would have his credentials transferred to the hotel from his phone by Bluetooth or ultrawideband technology, with a hotel room digital key transferred back to reside on the phone.

There would be no problem if the phone was stolen, because it would authenticate the user by PIN or thumbprint before revealing the key. Using its WAN capabilities, the phone would request permission from a remote server, perhaps at the traveler's place of employment, which wouldn't know the key but could authenticate the traveler based on the PIN or thumbprint. Once clearance was granted, the phone would be allowed to complete the computation of the cryptographic key to allow the traveler to get some sleep.

Reiter says CyLab is starting to demonstrate this capability and will move forward with the opening this winter of the Collaborative Innovation Center, a facility in which researchers will be able to control building functions using smart phones. © 2004

# Pointillist Protection

A Georges Seurat approach to vulnerabilities. By Matt Hamblen



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For example, in September, Pittsburgh-based Carnegie Mellon won a \$6.4 million grant from the National Science Foundation for an initiative called Security Through Interaction Modeling (STM), which studies complex interactions between people, the computers they use and attacks from the outside. STM will explore means of improving computer defenses by incorporating the models' behaviors into the defenses themselves.

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Georges Seurat's painting "A Sunday Afternoon on the Island of La Grande Jatte".

Mike Reiter, director of Carnegie Mellon's CyLab, and western Michigan University's Michael Reiter, have developed a new method for detecting anomalies and have demonstrated its use in the field of network monitoring and intrusion detection. The technique, called Pointillist Security Through Interaction Modeling (STM), can quickly identify those few critical nodes that are being attacked, letting them spread it to other parts of the network. It can also determine what happened. "We got a \$6.4-million National Science Foundation grant for 5 years to do research," he says. "It's being conducted by Carnegie Mellon, University of Western Michigan, and Stevens Institute of Technology. Researchers are also working at network security companies in a separate effort on the Social Project."

Khosla estimates that for every dollar spent on computer hardware and software, it takes \$6 to \$8 in personnel costs to maintain it. For that reason, vulnerability analysis is part of the CyLab program, as well as malicious code detection.

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# Pointillist Protection

## A Georges Seurat approach to vulnerabilities. By Matt Hamblen

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# Network Visibility Goal Gets Trimmed

**Our security manager asks the impossible of her team before learning what can be done in the real world.** By C.J. Kelly

**T**HE TEAM gathered in the security lab for our weekly meeting. At the top of the agenda was distributed intrusion detection. The junior-level security engineer glanced toward a whiteboard that displayed his work of art — numerous lines drawn in different colors depicting the complicated layout of our network. The black lines represented copper links, the red lines fiber, the black boxes routers and switches, and the blue boxes network tags and Snort sensors.

Meanwhile, the senior security architect distributed current network diagrams neatly done in Visio network diagramming software. Everyone was well prepared.

I noticed, however, that the team members were on edge. They were feeling drained and discouraged after dealing with Microsoft's flurry of security patches in October, discovering a security breach that originated from a remote laptop, managing participation in more than 40 IT and development projects and hearing rumors that the 2005 budget was being slashed to bare bones.

I took a deep breath, smiled my best we're-all-in-this-together smile and turned to the youngest member of our team. "Whatcha got?" I asked him.

He explained that his first recommendation for how to gain better visibility on the network was to buy port aggregators. He had read reviews and thought the idea sounded good. But after work-

tached to it that we have security responsibility fine." He smiled gently and said, "That's impossible. And by the way, nobody does that."

I learned early in my career that if you want to manage people well, you have to let go of your ego, hire people a lot smarter than you and let them do their jobs. My job is to understand enough about security to make good business decisions and to ensure that my team members have what they need to do their jobs. So when presented with this bit of insight from the security architect, I laughed, and the team started to loosen up.

The goal, in my

mind, was to be able to monitor the original plan of purchasing port aggregators at \$950 a pop.

The goal,

in my

team's

plan,

was to

get rid of

the ports

and

the switches.

As usual, I stuck my foot all the way down my throat.

I said, "I want to see 100%

of the traffic on 100% of this

network and every network at-

tached to it that we have security responsibility fine." He smiled gently and said, "That's impossible. And by the way, nobody does that."

I learned early in my career that if you want to manage people well, you have to let go of your ego, hire people a lot smarter than you and let them do their jobs. My job is to understand enough about security to make good business decisions and to ensure that my team members have what they need to do their jobs. So when presented with this bit of insight from the security architect, I laughed, and the team started to loosen up.

## Tell Me Everything

"What I know," I said, "is that we do not have the level of visibility that we need. What I know is that we cannot continue to rely on spans ports.

What I know is that our network could be owned [that's the hacker term for obtaining unrestricted full privileges on a private network] right now, and we have to do something. You're the experts. Tell me how this is done; tell me if we can do it and what you need from me to get it done."

At this point, the entire team started joking about how the network architecture is horrible. I thanked our junior engineer and asked him to put his designs into Visio, meet with the network engineers and the senior network architect and gain buy-in for his designs. Without the cooperation of the network guys, we weren't going to be able to sell the idea of in-line network devices, no matter what the cost savings.

I had to put together a project plan for this, present it to management, get it on the project management office queue and juggle the budget to

make sure we could move forward quickly. My part is boring but essential. The company was scrutinizing every dollar, and I couldn't let this project fall by the wayside.

In an effort to be explicit about my expectations, I asked the senior security architect to explain the nuts and bolts of security monitoring to the team. I wanted to understand what we could do without seeing all the traffic all the time.

"What we need to be able to do," he explained, "is to collect data that describes the network environment to the highest levels possible. We will be constrained by hardware and its ability to collect the data. Therefore, we will have to focus on sampling the data at key points on our network. We will not be able to collect every packet that traverses the network and analyze it. Even if we did collect gigabytes of data from each key point, we would be faced with correlating and analyzing vast amounts of data, and we just don't have the resources to do that."

We had been in the security lab for two hours discussing intrusion detection, and it was now lunchtime. Engineers aren't at their best when they're hungry. "OK, guys, let's break," I said. "The next step is to find a way to correlate and analyze the data now that the design for collecting it has been completed. I'd like to have some choices to review next week. Good work."

I was humbled by my inability to understand all the technical details, but I was encouraged that I had hired people with top-notch skills. I was also excited that we were finally making some progress at the core level toward finding out what was really going on in the network. ♦

## DO YOU THINK?

This week's question is written by our security manager, T.J. Kelly, whose name and employer have been disputed for obvious reasons. Contact her at [misskj@tinyurl.com](http://tinyurl.com/misskj), or join the discussion in our forum: [QuickLink #10506](http://tinyurl.com/QuickLink#10506).

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## SECURITY MANAGER'S JOURNAL

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As usual, I stuck my foot all the way down my throat.

## SECURITY LOG

### E-commerce Fraud On the Rise in '04

In its eighth annual e-commerce survey, CyberSource Corp. found that businesses will lose \$2.5 billion to online fraud in 2004, a 25% increase over \$2.1 billion last year. In addition, consumers are spending 30% more online than they did last year because of suspicion of fraud, said CyberSource, which specializes in electronic payment and risk management services for retailers. Retailers have had cross-channel buying success. This year, businesses expect revenue growth of 10% of online sales, while it reached only 6% in 2003's 12.7%. According to CyberSource, The 2004 revenue increase is based largely in due to e-commerce growth. The 2004 numbers surveyed and they expect their e-commerce revenues to increase by 30% in 2005.

### Net Monitor Now Works on Firefox

EE Security Corp. announced that it has released its Net Monitor product for use with the Mozilla Foundation's new Firefox 1.0 browser. Users of EE NetMonitor 5.1 and later releases can now access the software's monitoring, administration and reporting capabilities with an interface tailored for Firefox, said Walker-McLean, [walker.mclean@ee.com](mailto:walker.mclean@ee.com).

### SSD at Last

SSA Security Inc., in Bedford, Mass., announced the availability of the SSA Site-On Manager, which it said will securely process sensitive and static data in key-line medical applications. Site-On Manager originally due in the third quarter but was delayed by the company's acquisition by another company, reported by investors.com and PC Week. Site-On Manager is designed to help medical facilities reduce the risk of data loss and improve the security of sensitive patient information, says the company.

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## BRIEFS

### Adobe Announces Acrobat Upgrade

■ Adobe Systems Inc., in San Jose announced Acrobat 7. The new version can create PDF images and folders, loads and runs faster, supports 3-D images and includes an organizer feature for combining PDF files into compound documents, according to the company. The Professional edition now includes Adobe Designer form software. It also supports BeeTrust Inc.'s digital certificates and can create encrypted, password-protected PDF documents that users with the free Adobe Reader can open. Acrobat Standard is \$299; Acrobat Professional is \$449. The product will ship in January.

### Epiphany Unveils Analytical Packs

■ A customer relationship management software maker Epiphany Inc., in San Mateo, Calif., last week rolled out analytical software that it said can help companies better deal with customers and drive profitability. The two new products in the Advisor line are aimed at the telecommunications and retail finance industries. The packages ship this week with a typical installation priced at about \$250,000, according to the company.

### Symantec Updates Remote Software

■ Symantec Corp., in Cupertino, Calif., last week announced pcAnywhere 11.5, with support for a broader array of devices and more security features. Additions include the ability for IT managers to remotely control devices from any machine running Linux, Windows, Pocket PC and Pocket Phone, the company said. Security additions include 13 ways to authenticate users and use of the new Advanced Encryption Standard. A retail version will be available next month for \$199.95.

TOMMY PETERSON

# Users Should Enlist In Standards Wars

**W**HENEVER I think about what we vaguely refer to as the "standards process," I'm reminded of an event I attended in the summer of 2003 at Burton Group's Catalyst conference. It was billed enthusiastically in preconference publicity as "the first public demonstration" of SPML, the Service Provisioning Markup Language standard developed by OASIS, the Organization for the Advancement of Structured Information Standards. The demonstration was part of the run-up to a vote on the specification's acceptance by the full membership of OASIS, whose stated mission is to develop e-business technical standards.

The venue for this milestone was a nondescript meeting room hidden in the subterranean recesses of a San Francisco hotel. The room was mostly filled with smart, articulate engineers and their marketing department colleagues from each of the OASIS member vendors that had been part of the working group that produced the standard.

They stood in groups, each clumped in front of an island of systems running their company's software. From their stations, the groups eagerly engaged the public — in this case, journalists and a few curious conference attendees — and performed the delicate task of touting the superior qualities of their own products while talking up the importance of the standard that would make all of the products work together. The vendors represented in the room were big and small. Some were direct competitors; others were part of business partnerships.

Then the demonstration started. The critical moment, when an imaginary user's access rights and resource information were provisioned across all the

applications running in the room, went off without a hitch. Proud exclamations erupted from the participating groups as the example user appeared in each vendor's application.

Unfortunately, it was difficult to make the imaginative leap from this highly controlled demonstration to the much more unpredictable environment of any large business's IT systems. The exercise was interesting — even impressive — yet I felt as though I'd watched an elaborate version of a high school science fair project. This memory persists not because I doubt the importance of SPML, in particular or technical standards in general. It's because that demonstration reveals the absurdities and complexities in the standards development process. We often speak of standards as though they are the result of a logical, if painfully slow, exercise that promises to rationalize some technology sector or another. For wireless LANs, it's the need to get basic communications standards in place. For Web services, the idea is to build a common stack of specifications that service-oriented architectures can take over the corporate IT world.

In actuality, standards emerge both because of and despite a convoluted web of ideas, relationships and business needs. They reflect the interplay of market forces at least as accurately as they do the pure pursuit of elegant engineering

solutions to technical problems. As Robert L. Mitchell points out in the feature "Standards: High-Stakes Game" (see page 25), the notion of technical standards being hammered out by a group of high-minded engineers is outdated — if it ever was based in reality.

The development of standards stirs contention because the process represents the friction point where innovation runs up against commodification. The impulse to protect intellectual property has to be balanced against the need to operate in an astoundingly diverse technology landscape. And don't forget that the winners of what are ostensibly wars of ideas get a much larger slice of million-dollar — or even billion-dollar — markets than do the losers. Given all the interests in play, it's any wonder that progress toward consensus on any specification is excruciatingly slow? The process isn't going to get any faster as the number of players continues to increase, and as each organization and vendor has more and more riding on the acceptance of its own ideas.

User participation in standards creation lags behind that of vendors, but corporate IT has at least as much at stake: Interoperability translates directly into money and time saved. To users, standards imply interoperability and the ability to comparison shop to fill their technology needs while controlling costs. Standards also offer time savings in implementation after buying choices are made.

The standards development process also guarantees users plenty of frustration, as they sort through the welter of standards organizations and wonder what compliance means in the current fractured landscape. But user participation is key to achieving better standards and more efficient ways to create them. It's time to enlist in the standards wars.

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Tommy Peterson is Computerworld's technology editor. Contact him at [tpeterson@computerworld.com](mailto:tpeterson@computerworld.com).



**BRIEFS****Adobe Announces Acrobat Upgrade**

**# Adobe Systems Inc.** In San Jose announced Acrobat 7. The new version can create PDF images of Outlook e-mail messages and folders, loads and runs faster, supports 3-D images and includes an organizer feature for combining PDF files into compound documents, according to the company. The Professional edition now includes Adobe Designer forms software. It also supports GeoTrust Inc.'s digital certificates and can create encrypted, password-protected PDF documents that users with the free Adobe Reader can open. Acrobat Standard is \$299; Acrobat Professional is \$449. The product will ship in January.

**Epiphany Unveils Analytical Packs**

**# Customer relationship management software maker Epiphany Inc.** in San Mateo, Calif., last week rolled out analytical software that it said can help companies better deal with customers and drive profitability. The two new products in the Advisor line are aimed at the telecommunications and retail finance industries. The packages ship this week with a typical installation priced at about \$250,000, according to the company.

**Symantec Updates Remote Software**

**# Symantec Corp.** in Cupertino, Calif., last week announced pollywheee 1.5, with support for a broader array of devices and more security features. Additions include the ability for IT managers to remotely control devices from any machine running Linux, Windows, Pocket PC and Pocket PC Phones, the company said. Security additions include 13 ways to authenticate users and use of the new Advanced Encryption Standard. A retail version will be available next month for \$199.95.

TOMMY PETERSON

# Users Should Enlist In Standards Wars

**W**HENEVER I think about what we vaguely refer to as the "standards process," I'm reminded of an event I attended in the summer of 2003 at Burton Group's Catalyst conference. It was billed enthusiastically in preconference publicity as "the first public demonstration" of SPMI, the Service Provisioning Markup Language standard developed by OASIS, the Organization for the Advancement of Structured Information Standards. The demonstration was part of the run-up to a vote on the specification's acceptance by the full membership of OASIS, whose stated mission is to develop e-business technical standards.

The venue for this milestone was a nondescript meeting room hidden in the subterranean recesses of a San Francisco hotel. The room was mostly filled with smart, articulate engineers and their marketing department colleagues from each of the OASIS member vendors that had been part of the working group that produced the standard.

They stood in groups, each clamped in front of an island of systems running their company's software. From their stations, the groups eagerly engaged the public — in this case, journalists and a few curious conference attendees — and performed the delicate task of touring the superior qualities of their own products while talking up the importance of the standard that would make all of the products work together. The vendors represented in the room were big and small. Some were direct competitors; others were part of business partnerships.

Then the demonstration started. The critical moment, when an imaginary user's access rights and resource information were provisioned across all the



applications running in the room, went off without a hitch. Proud exclamations erupted from the participating groups as the example user appeared in each vendor's application.

Unfortunately, it was difficult to make the imaginative leap from this highly controlled environment to the much more unpredictable environment of any large business's IT systems. The exercise was interesting — even impressive — yet I felt as though I'd watched an elaborate version of a high school science fair project.

This memory persists not because I doubt the importance of SPMI in particular or technical standards in general. It's because that demonstration reveals the absurdities and complexities in the standards development process. We often speak of standards as though they are the result of a logical, if painfully slow, exercise that promises to rationalize some technology sector or another. For wireless LANs, it's the race to get basic communications standards in place. For Web services, the idea is to build a common stack of specifications so that service-oriented architectures can take over the corporate IT world.

In actuality, standards emerge both because of and despite a convoluted web of ideas, relationships and business needs. They reflect the interplay of market forces at least as accurately as they do the pure pursuit of elegant engineering

solutions to technical problems. As Robert L. Mitchell points out in the feature "Standards: High-Stakes Game" (see page 25), the notion of technical standards being hammered out by a group of high-minded engineers is outdated — if it ever was based in reality.

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SIR TIM BERNERS-LEE

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Greatest Minds Of The 20th Century



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# MANAGEMENT

11.22.04

Q&A

## After the Deal

The deal of the century may lead to the implementation from hell, says Danny Ertel. Forget about deal-making and negotiate with implementation in mind, he advises. [Page 42](#)

## Career Watch

The priciest foreign postings; who's leaving home and who's not; the IT workweek — it just seems like forever; and middle managers' view of a brighter future. [Page 43](#)

## OPINION

### A Convergence of Roles

To whom should the chief security officer report? That's the wrong question, says Norbert Kubitsch. The right question is, Who should the CSO be? [Page 44](#)



# Linux Unchained

Linux use is growing faster than the talent pool needed to support it. Here's how IT managers see the problem and what they're doing about it. **BY MARY K. PRATT**

CUSTOMERS OF GAF3 SOLUTIONS tell the technology services provider that they want to use Linux because they hear it's reliable, robust and relatively inexpensive. But a customer recently balked at the one-month delay to install a Linux server. Why such a long wait? GAF3's Linux expert was overextended, says George A. Fitch III, president and CEO of the Dover, N.H.-based company.

High demand has Fitch wondering if he should charge extra for Linux-related work. If he does, he wouldn't be alone.

Linux is gaining ground so quickly that some companies are having a hard time finding enough people to handle Linux-related work. And those they do find charge a premium, according to The Yankee Group, a market research firm in Boston. Skilled Linux administrators in major metropolitan markets command 20% to 30% salary premiums over their Unix and Windows counterparts — a fact that could diminish the cost savings that many companies bank on when they switch to Linux.

"It's really hard to find good, qualified help that doesn't charge you so much," says Laura DiDio, an analyst at Yankee Group.

Not all IT managers concur with that assessment, but they do agree that the growth of Linux requires a retooling of tech workers. They can't throw their Windows people into Linux projects without additional training, and though Unix staffers can pick up Linux more quickly, even they need time to get up to speed.

### The Goods

Linux experts and enthusiasts cite a litany of skills that companies need for Linux systems work. Experience with programming and documentation is key. The ability to edit files and modify source code is important, too. Management experience is another plus.

Those skills aren't overly difficult to find, says Michael J. Caraldi, a computer science professor at Worcester Polytechnic Institute in Massachusetts. But other skills — namely expertise in networking and graphics — aren't so easy to locate.

"Another skill in Linux is you have to be willing to ask other people for help," Caraldi adds. For those who do seek help, there are Web sites and user groups that share information on how to use and modify Linux.

DiDio compares the skills needed for Linux today

to those sought for network administrators 15 or 20 years ago. "What you're basically looking for is that eclectic network administrator or software developer from circa 1988 — someone who knows lots of different things," she says.

While some say the lack of personnel with Linux expertise affects the rate at which companies adopt the open-source system, others say IT departments are finding the skills they need without much extra effort or additional pay.

"If you have someone who has experience with other operating systems, I don't think it's all that difficult switching over to Linux," Clarald says. "Conceptually, the commands are the same, the structure is similar. It's just learning what the exact commands are to accomplishing various tasks."

Tom Pratt, IT manager at Coastal Transportation Inc., a shipping company in Seattle, agrees. He oversees a mixed environment that includes seven Linux servers and two Linux desktops. Pratt says he had no problem learning Linux, and he wouldn't expect to encounter any problems finding skilled help if necessary. A Unix administrator could easily evolve into a Linux administrator with self-directed training, Pratt says. "If you can read, that's the primary skill you need," he adds.

### Not So Fast

Not all companies are comfortable moving ahead with Linux without skilled workers, however. Clarald remembers one New Jersey company, which was working with Worcester Polytechnic students, that decided against a Linux server when it realized it didn't have in-house Linux expertise.

And for companies that like flexible IT staffs, Linux can present a problem. "The hardest thing I'm finding is someone who is very good in Linux and can support Windows," says Dan Agrosow, vice president of technology at The Weather Channel Interactive Inc., or Weather.com, in Atlanta.

Agronow says he hasn't had any trouble finding staffers with Linux skills, but those with both Linux expertise and Windows skills are rare. "Most people aren't as broad as that," he says.

Like others, Agronow says he believes someone with Unix experience can easily make the transition to Linux, but he suggests that the significant differences between Windows and Unix/Linux could keep some companies from adopting Linux. "If you were an all-Windows shop, maybe you don't have the contacts to hire a Linux person," he says.

Besides, companies want more than Linux skills, experts say. They want business expertise, too. "It's certainly possible to hire junior systems administrators who have great knowledge in Linux," says Mark Mellis, a consultant at SystemExperts Corp., a Sudbury, Mass.-based provider of network security consulting services.

"The place where you run into trouble is typically they know the technical bits, but they don't understand the business," he says. "They understand the details of the implementation, but they don't understand the greater architectural details or the big picture. That's why they're junior people."

Even companies that rely on their senior Unix workers for help with Linux systems are encountering problems,

# Pros AND CONS

**Is your company using Linux or other open-source software?**

**Using today** 46%

**Plan to use in next 12 months** 14%

**No plan** 39%

**BASE:** 140 North American companies

**The biggest concerns about Linux or open-source software among companies using it:**

**Lack of support** 57%

**Don't have the skills/knowledge** 36%

**BASE:** 85 North American companies using Linux or open-source software

**The biggest concerns about Linux or open-source software among companies not using it:**

**Don't have the skills/knowledge** 55%

**Lack of support** 53%

**BASE:** 55 North American companies

## What It Really Takes

**AMAZON.COM INC.** has used Linux in some shape or form since it was founded a decade ago. Even so, Tom Klavasek, vice president of infrastructure at the Seattle-based Web retailer, doesn't seek out people specifically trained in Linux when he wants to hire new staff. "We hire a lot of people who know who break things apart and put them back together," he says.

"And through the economic ups and downs, we keep very squarely focused on innovation and customer service," Klavasek says. His hiring philosophy "hasn't changed in 10 years," he says. "We're constantly looking for great computer science grads. We don't chase after the technology of the system," he says. "This really is an effort to hire really smart people, problem solvers, people who are curious. As we were to find ourselves in our recruitment to the development is interesting systems of the day, we'd be looking for qualifiers, a developer."

—Mark K. Pratt

Meanwhile, companies are trying to close the Linux skills gap by sending staffers for training and hiring new people specifically for their Linux experience. "And some of the smaller companies are asking employees to go out and teach themselves," says Giaraldo.

Peter Childers, vice president of global learning services at Raleigh, N.C.-based Red Hat, says he has seen demand for the company's Linux training and certification courses increase dramatically. Today, there are more than 12,800 Red Hat Certified Engineers and 5,900 Red Hat Certified Technicians, a designation launched in January 2003. And 97% of people attending training are sponsored by their companies, Childers says.

As manager of technical support at Boscov's Department Store LLC in Reading, Pa., Joe Poole oversees about 85 IT staffers, five of whom maintain the company's Linux system. He sent two staffers to a one-week Linux training course run by IBM, paying about \$5,000 for both to attend. Those two workers now train colleagues in Linux.

"There's a scarcity of people who are absolutely trained in Linux, and that's all they do," Poole says. "But there's no scarcity of people who can pick it up."

Even so, Linux personnel seem increasingly valuable. Regardless of how you increase the level of Linux expertise in your IT shop, beware of companies that might try to raid your staff, particularly competitors in your industry, Dido says. "Make [workers] sign on the dotted line if you train them that they'll stay with you for a year or two," she says. • **50385**

Pratt is a freelance writer in Waltham, Mass. You can contact her at markary@midminding.com.





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AMAZON.COM INC.

Diodio says, "There's a presumption that if these guys could do Unix, then Linux should not be that much of a stretch for them. So they're throwing them into the trenches, but they're not always prepared to handle all the tinkering that needs to be done, she says.

The famously collaborative Linux community tries to pooh-pooh this, according to Diodio. "They'll say, 'We have thousands of developers who will jump in and help out' via Linux chat rooms and Web sites, she says. "While that sounds very nice, that's not going to take the place of skilled in-house staff."

### For Now

While Unix people may be able to make the transition to Linux over time, the shortage of skilled Linux personnel today is forcing some companies to look to vendors for help. But Diodio says even the big Linux distributors like Red Hat Inc. and Novell Inc. "don't have thousands of tech support people" to meet growing demand for Linux-related services.

Diodio cites the case of a major stock exchange that switched from Unix to Linux. The organization had to default to its hardware vendor, Hewlett-Packard Co., for installation help and service. "This is how people are going to make their money on Linux — selling the premium technical service and support," she says.

And while that window of opportunity won't last forever, it may exist for the foreseeable future.

"I think there will be more demand as deployments continue," says Dick Mackey, principal at SystemExperts. "And I think the demand will increase before the supply of skilled people will be available. It will be a good market for those people."

Meanwhile, companies are trying to close the Linux skills gap by sending staffers for training and hiring new people specifically for their Linux experience. "And some of the smaller companies are asking employees to go out and teach themselves," says Cisaroli.

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BASE: 160 North American companies

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Don't have the skills/knowledge	<b>55%</b>
Lack of support	<b>53%</b>

BASE: 85 North American companies

# Congratulations winners!



Storage Networking World (SNW), in conjunction with Computerworld and the Storage Networking Industry Association (SNTA), proudly presented the fifth SNW "Best Practices in Storage" Awards Program. This program honored ten IT user "best practice" case studies selected from a field of qualified finalists.

**Winners were recognized at the SNW Awards Ceremony – Wednesday, October 27th in Orlando, Florida**

Winners in each of the following categories are:

## Systems Implementation

### Winners

- Carlson Companies, Minnetonka, Minnesota
- State Street Corporation, Boston, Massachusetts
- Honorable Mention: Paul, Hastings, Janofsky & Walker LLP, Los Angeles, California

## Storage Reliability and Data Recovery

### Winners

- Hershey Entertainment and Resorts Company, Hershey, Pennsylvania
- MidAmerica Bank, Clarendon Hills, Illinois
- Honorable Mention: Capine Corporation, Houston, Texas

## Data Lifecycle Management

### Winners

- Adirondack Electronics Markets, New York, New York
- PPL, Allentown, Pennsylvania
- Honorable Mention: NASA, Mountain View, California

## Industry Regulation Compliance and Corporate Governance

### Winners

- MetLife Investors, Newport Beach, California
- Seattle Northwest Securities, Seattle, Washington
- Honorable Mention: The Center for the Executive Clinical Sciences, Hanover, New Hampshire

## Innovation and Promise

### Winners

- New York State Psychiatric Institute, New York, New York
- Sports Illustrated, New York, New York
- Honorable Mention: Warner Music Group, Burbank, California



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## Criteria for judgement

- Judges evaluated and ranked the finalists in each category according to their authorized storage solution attributes and achievements against criteria such as:
- Financial return and sensible project returns on investment, assets, resources through created/protected revenue opportunity or cost savings.
  - Substantial customer impact (comes, retention, acquisition).
  - Positive impact on other business/organization units.
  - Address system and department interoperability issues and heterogeneous platform integration challenges.
  - Address system and departmental challenges to the organization while anticipating and accommodating the deployment of future storage solution initiatives.
  - Support to the efficient and reliable data, information and application sharing/ access between personnel, departments, divisions, etc.
  - Address challenges of data, information and application security, recovery, latency, continuity, etc.

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# WILD CARD CONTRACTS

When a developer plans to resell your custom software, you'll need to lay all your cards on the table to get a good deal.

By Marc L. Songini

**SOMETIMES** it takes a partnership with a vendor to craft software that fits your company's specific needs. But if the vendor intends to resell the software after the collaboration is over, the development contract should guarantee your intellectual property rights and, in some cases, your royalties. Unfortunately, negotiating the legal framework for this kind of collaboration is like playing poker with a bunch of wild cards.

"There are no 'default' rules in the law that require the parties to come to a specific [contractual] conclusion," notes Amy Landers, a lawyer specializing in patent and copyright issues and a professor at the University of the Pacific

McGeorge School of Law in Sacramento, Calif. "As with any type of negotiation, there is going to be a give-and-take depending on what's important to the individual companies involved."

Landers and other attorneys specializing in copyright and patent issues offer some tips on how to navigate the complexity of the law to build a contract that works.

**PROBLEM:** Finding a partner you trust.

**SOLUTION:** Research. "You have to know the character, quality and capabilities of the party you are dealing with," says Paul Roy, an attorney at Mayer, Brown, Rowe & Maw LLP in Chicago. Investigate a potential partner through site visits, meetings with key personnel and discussions with other companies the vendor has done business with, he says.

**PROBLEM:** Who owns the software?

**SOLUTION:** If the work is collaborative, with staff from both companies contributing, you can negotiate a joint copyright, or patent certain modules and allow the vendor to patent or copyright others, says Frank Bernstein, a partner at law firm Sughrue Mion PLLC in Washington. Typically, such rights are partitioned according to which party did which piece of work, he says.

Alternatively, you can include a contract clause called "work for hire," which ensures that no matter who writes the software, the customer owns it, says Bernstein.

**PROBLEM:** Too many choices; no ballpark for the agreement.

**SOLUTION:** Hard work. There are multiple scenarios and trade-offs to consider in resolving copyright and patent issues, explains Ross Dannenberger, an attorney at Banner & Witcoff Ltd., a Washington-based firm. For example, a

tracking company wants to engage the vendor of its logistics-tracking software to build on a custom Web interface. Depending on the nature of the original software license, the trucker may first need permission from the vendor to modify the software.

Then, if the tracking company wants to own the copyright for the Web interface, it can negotiate to pay the vendor for the customization and control any distribution of the final application. It could also engage the vendor to market and distribute the application and split the royalties.

If the tracking company wants to save money on development, it can allow the vendor to keep the copyright and distribution rights. In that case, the trucker should be charged only what the newly customized software will cost any other customer, but it has no special rights to the product, nor can it prohibit distribution to others.

**PROBLEM:** Protecting trade secrets. Custom software is likely to include proprietary code and even business processes, the distribution of which could be devastating to the customer and useful to competitors.

**SOLUTION:** Decide which proprietary code and processes need to be protected and how to do it. Carefully define each instance as your company's intellectual property. Then you can stipulate that some features may not be included in the market version, or you can restrict the vendor from using certain features for a period of time, Roy says.

You can also include a clause in the agreement that forbids the vendor to sell the application to your competitors, says Bernstein. Be sure to clearly define who the competition is.

**PROBLEM:** Policing the agreement.

**SOLUTION:** You can build in an auditing clause that gives you the right to review the application to be marketed and ensure that it's not exposing crucial proprietary code, Bernstein says.

The agreement can also specify methods of redress in the event of a breach of contract, including recovery of damages or the right to take back exclusive ownership of the software.

**PROBLEM:** Determining payment.

**SOLUTION:** You might pay less to a vendor that intends to make money selling the application later. One way of arriving at the fee is to review prior contracts of this type. If necessary, an accounting firm can produce a concrete range of numbers, says Landers. If your company will get a cut of the eventual profits, the contract should also specify practical means to audit the resale numbers, she says.

Be sure to resolve these issues in writing before the coding starts. "Folks say they don't care when they actually do," says Diana McKenzie, an attorney at Chicago-based Neal, Gerber & Eisenberg LLP. "They just don't think they care till they've spent \$60 million on a [customized] SAP installation and discovered competitors can copy what they've done in six months." **G 5029**

## 'COOPETITION'

**THE POLKS AT LOGISTICS** service provider BDP International Inc. view the company's collaboration with a vendor to build a piece of industry-specific software as a type of "coopetition."

Needling to consolidate its global shipping operations and lacking the internal resources to develop the relevant applications in a timely fashion, the Philadelphia-based company turned to logistics and transportation software vendor Global Logistics Technologies Inc. (G-Log) in Shelton, Conn. Each company had something the other company wanted: BDP had industry-specific intellectual property, and G-Log had the framework with its existing BCI product to build the application, says Mark Stackelback, director of software development at BDP.

Legal teams worked with both parties to

craft an agreement. As part of the contract, G-Log retains the exclusive right to modify the source code, but the application will be flexible enough for BDP to do integration and configuration changes as needed.

BDP mapped out its processes for ocean and air import and export, detailing the specific business requirements for each before handing the documentation over to G-Log.

After that, the companies' development teams engaged in daily back-and-forth sessions to extend the processes and systems to meet international requirements. "It was a very collaborative approach," Stackelback says.

In the end, G-Log will have the right to sell a general order shipment application with basic, generic industry processes embedded in it. Those processes will exclude any proprietary features but include things such as the ability to handle commercial invoices. The system is expected to go live at BDP next year.

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By Marc L. Sognini

SOMETIMES it takes a partnership with a vendor to craft software that fits your company's specific needs. But if the vendor intends to resell the software after the collaboration is over, the development contract should guarantee your intellectual property rights and, in some cases, your royalties. Unfortunately, negotiating the legal framework for this kind of collaboration is like playing poker with a bunch of wild cards.

"There are no 'default' rules in the law that require the parties to come to a specific [contractual] conclusion," notes Amy Landers, a lawyer specializing in patent and copyright issues and a professor at the University of the Pacific.

It's McGeorge School of Law in Sacramento, Calif. "As with any type of negotiation, there is going to be a give-and-take depending on what's important to the individual companies involved."

Landers and other attorneys specializing in copyright and patent issues offer some tips on how to navigate the complexity of the law to build a contract that works.

**PROBLEM: Finding a partner you trust.**

**SOLUTION:** Research. "You have to know the character, quality and capabilities of the party you are dealing with," says Paul Roy, an attorney at Mayer, Brown, Rowe & Maw LLP in Chicago. Investigate a potential partner through site visits, meetings with key personnel and discussions with other companies the vendor has done business with, he says.

**PROBLEM: Who owns the software?**

**SOLUTION:** If the work is collaborative, with staff from both companies contributing, you can negotiate a joint copyright, or patent certain modules and allow the vendor to patent or copyright others, says Frank Bernstein, a partner at law firm Seigle-Monroe PLLC in Washington. Typically, such rights are partitioned according to which party did which piece of work, he says.

Alternatively, you can include a contract clause called "work for hire," which ensures that no matter who writes the software, the customer owns it, says Bernstein.

**PROBLEM: Too many choices; no firm rules for the agreement.**

**SOLUTION:** Hard work. There are multiple scenarios and trade-offs to consider in resolving copyright and patent issues, explains Ross Dannenberg, an attorney at Banner & Witcoff Ltd., a Washington-based firm. For example, a

truck company wants to engage the vendor of its logistics-tracking software to build on a custom Web interface. Depending on the nature of the original software license, the trucker may first need permission from the vendor to modify the software.

Then, if the trucking company wants to own the copyright for the Web interface, it can negotiate to pay the vendor for the customization and control any distribution of the final application. It could also engage the vendor to market and distribute the application and split the royalties.

If the trucking company wants to save money on development, it can allow the vendor to keep the copyright and distribution rights. In that case, the trucker should be charged only what the newly customized software will cost any other customer, but it has no special rights to the product, nor can it prohibit distribution to others.

**PROBLEM: Protecting trade secrets.**

Custom software is likely to include proprietary code and even business processes, the distribution of which could be devastating to the customer and useful to competitors.

**SOLUTION:** Decide which proprietary code and processes need to be protected and how to do it. Carefully define each instance as your company's intellectual property. Then you can stipulate that some features may not be included in the market version, or you can restrict the vendor from using certain features for a period of time, Roy says.

You can also include a clause in the agreement that forbids the vendor to sell the application to your competitors, says Bernstein. Be sure to clearly define who the competition is.

**PROBLEM: Policing the agreement.**

**SOLUTION:** You can build in an auditing clause that gives you the right to review the application to be marketed and ensure that it's not exposing crucial proprietary code, Bernstein says.

The agreement can also specify methods of redress in the event of a breach of contract, including recovery of damages or the right to take back exclusive ownership of the software.

**PROBLEM: Determining payment.**

**SOLUTION:** You might pay less to a vendor that intends to make money selling the application later. One way of arriving at the fee is to review prior contracts of this type. If necessary, an accounting firm can produce a concrete range of numbers, says Landers.

If your company will get a cut of the eventual profits, the contract should also specify practical means to audit the resale numbers, she says.

Be sure to resolve these issues in writing before the coding starts. "Folks say they don't care when they actually do," says Diana McKenzie, an attorney at Chicago-based Neal, Gerber & Eisenberg LLP. "They just don't think they care till they've spent \$60 million on a [customized] SAP installation and discovered competitors can copy what they've done in six months." © 50529



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# AFTER THE Deal

**Focusing too hard on getting a deal done can doom the implementation.**

**The art of deal-making may be grist for best-selling books and corporate legends, but its importance has been blown all out of proportion, says Denny Ertel, a founder and director of Vantage Partners LLC, a Boston-based consulting firm. Signing the deal is the beginning of the process of creating value, he says, but the "deal-maker mentality" common in negotiations hurts the chances of the contract being implemented successfully. In November's Harvard Business Review, Ertel proposes a different mind-set in which inking the deal is only the beginning. He told Kathleen Melymuka how that approach can change everything — for the better.**

**What is the deal-maker mentality?**  
That's one a lot of negotiators have. They feel their job is to close the deal faster, bigger, better. It's not thinking about what happens after the deal is signed.

**How does this mind-set affect, say, an outsourcing negotiation?** It drives a lot of behavior, especially among buyers. They end up forcing providers to perform some pretty unnatural acts to win business without worrying about the consequences. A negotiating team focuses on getting the deal signed. Some are date-driven by a quarter or year close, and they don't think hard enough about what it will take to realize the value of the deal five or 10 years down the road.

**You advocate a different approach based on what you call an "implementation mind-set."**

**What does that look like?** That's having the negotiating team see their job differently. Instead of getting the deal signed, their goal is helping to create value by creating a deal that can be implemented. After all, what's the goal line? Is it a signature on a page or cost reduction, innovation, business transformation?

**To help in the shift to that way of thinking, you offer a "benefit of hindsight" exercise.**

**Can you explain?** Hindsight is a wonderful thing, and it's actually more accessible than we realize. There's enough experience out there about outsourcing deals and large IT vendor contracts and what goes wrong with them over time that most negotiation teams should be able to tap into that experience and ask, "What tends to go wrong with these deals, and what can we do now in anticipation of those problems? How can we structure the deal and the relationship between us to minimize the chance of those problems happening?"

**Some would say that penalty clauses take care of these issues.** Penalty clauses give a false sense of security for the negotiator. Nobody wants to sit back and collect penalties; they want the deals to work. Simply having penalty clauses in the contract is not a good alternative to understanding what it will take to create value by implementing the deal.

**Most negotiators play close to the vest, but you suggest a much less secretive approach.**

**Can you talk about that?** Sure. If your purpose is just signing the deal, then you can decide to go caveat emptor all the way, and what they don't know hurts them. But if your purpose is implementing and creating value through implementation, then what they don't know can hurt you. So you need to think about what they need to understand.

**Can you give me an example of something vendors may not know that you should tell them?** At the outset of lots of outsourcing deals, there's an assumption: Don't tell them how much resistance to change there is in our organization or how messy our process is or how bad our data is because once we sign the deal, our mess becomes their mess. That's a recipe for conflict, scope changes and a relationship where the provider will have to cut corners somewhere else to dig out of the hole it didn't know it was getting itself into. If my company lacks some fundamental ability to perform my side of the deal or the problem is bigger than the vendor thinks it is, then letting them walk in not knowing about that is setting up for problems during implementation.

**Holding off the deal after the negotiation can be the source of all kinds of problems, but you have some suggestions for avoiding them. Tell us about them.** After the deal is done, the negotiators often go on to the next deal. Not enough time is spent making a good handoff or transition between the negotiation teams and the implementation teams. I recommend that organizations really plan a formal handoff and do that jointly so they have both buyer and seller negotiation teams briefing both sides of the implementation team.

**What does that do for you?** The briefing looks very different if you are both in the room together talking about why you did the deal you did and what's going to take to make it work than if you're doing the briefings separately. If you brief separately, there's a tendency to just list all the ways you "got" them. And if both sides know they will be doing a joint briefing on why they did what they did, they spend less energy on the "gotcha" game during the negotiation and more energy on doing a deal based on objective criteria, external standards and industry practice, because both sides know they will need to jointly defend the deal.

**If you approach negotiations with an imple-**



mentation mind-set but the other side is full of deal-breakers, won't you end up giving away the farm? There are two elements of a negotiation. One is communication: what I'm telling you to talk about. The other is commitment: what you're willing to agree to. Just because you come in with an implementation mindset and put tough issues on the table and focus on how you're going to implement and warn in advance about what you want to talk about so they can begin to prepare, it doesn't mean that if their side is difficult or shifty or too clever by half that you have to agree. © 50000

**This is the latest in a series of monthly discussions with Harvard Business Review authors on topics of interest to IT managers.**



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## The Implementation Mind-Set

### THINK FUTURE.

A year into the contract, will the deal be working? What will have gone wrong?

### NO SURPRISES.

The short-term advantages they may provide can cripple implementation in the long term.

### THEM PROBLEMS ARE YOUR PROBLEMS.

Expose hidden obstacles. Anything that will make implementation difficult for the other side will cost you, too.

### ONE MESSAGE.

Briefing both sides at once avoids intrigue and keeps everyone on the same page.

**CLOSING ISN'T EVERYTHING.**  
Don't embrace artificial deadlines.  
Take the time to get both sides aligned.

### SUCCESS IS SWEETER THAN PUNISHMENT.

Punitive clauses are a lose/lose proposition, and they don't solve problems. Aim to create success, not to punish failure.

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# Career Watch

## U.S. Workers Staying Home . . .

**TOKYO IS THE MOST EXPENSIVE city for expatriate workers, followed by London, Moscow and Osaka, Japan, according to a 2004 survey by Mercer Human Resource Consulting LLC (see list below). "Worldforce Management" magazine reports that an expat in Tokyo can expect to pay \$4,501 a month to rent a luxury two-bedroom apartment, versus \$3,500 in New York.**

Because of the high cost of keeping U.S. workers abroad, many companies are sending them for shorter trips or hiring local talent. For

example, Agilent Technologies Inc. paired its international transfer program from about 1,000 people in 2001 to 300 today. By filling positions locally and scaling back expat benefits, the company cut relocation costs from \$72 million to \$23 million.

In another survey, by GMAC Global Relocation Services, only half of responding companies said that workers took their children on international assignments, the lowest percentage in the 10-year history of the survey.

## ... But Not Foreign Workers

**THE CAP OF 65,000 new H-1B visas granted to foreign workers was reached Oct. 1—the day the new federal fiscal year began. Never before has the limit been reached in one day.**

The H-1B visa, heavily used by high-tech

employees, allows skilled foreign workers to get jobs in the U.S. for up to six years.

The cap for 2004 was reached five months into that fiscal year.

—Dan Varsky

## BULLISH ON OFFSHORE

**THE OFFSHORE software market will continue to grow nearly 20% annually through 2008, according to Meta Group Inc. Meta says that by 2006, most IT organizations will have an offshore strategy. "With global resources costing one-third to one-fifth that of American employees—and having higher process discipline, offshore strategies now pervade North American IT organizations," says Dean Dawson, a Meta vice president. He predicts that despite political backlash, the average large company will send 60% of application work offshore by 2009.**

**Mercer HR Consulting evaluated and indexed the costs of more than 200 items, such as housing, food and clothing, in 144 cities. New York was used as a comparison point, with a cost index of 100.**

- 1. Tokyo: 130.7
- 2. London: 119.0
- 3. Moscow: 117.4
- 4. Osaka, Japan: 110.1
- 5. Hong Kong: 109.5
- 6. Geneva: 104.2
- 7. Seoul, South Korea: 102.2
- 8. Copenhagen: 101.2
- 10. St. Petersburg, Russia: 101.4

SOURCE: 2004 COST OF LIVING SURVEY  
MERCER HUMAN RESOURCE CONSULTING LLC

BY DAN VARSKY

PHOTO: GETTY IMAGES

ILLUSTRATION: JEFFREY L. BROWN

PHOTO: GETTY IMAGES

## QUICK HITS

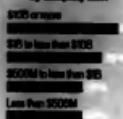
## Project Portfolio Management

How far along are you in project portfolio management?



- Don't know
- Early stages of adoption
- Intermediate stages of adoption
- Currently employing
- Don't know

## Project portfolio management adoption by company size:



## What capabilities are you currently using in your portfolio management tool?

- Project inventory
- ROI calculations
- Resource forecasting
- Strategic alignment
- Integrated budgeting
- Tactical analysis
- Graphic reporting on performance
- Don't know

**BASE: 200 technology decision-makers**  
**SOURCE: Forrester Research Inc.**  
**Cambridge, Mass., September 2004**

NORBERT J. KUBILUS

# IT and Security: Converging Roles

**O**NE OF THE GREAT DEBATES in recent months has been whether the chief security officer should report to the company's CIO or CEO. The fact that information security is first and foremost a technology issue fuels the argument for the CIO reporting line. The reasoning is that the CSO, as the person who safeguards the organization's information assets, should report to the CIO.

But the other side argues that security is more than a technology concern. Information security is a business issue that also includes physical security at the corporate level. Securing information is key to the organization's long-term growth and survival. This puts the responsibility for setting security policy squarely on the CEO and suggests that the CSO should report directly to him.

Lost in this debate is the real issue. Organizational structure is secondary to how security — IT and otherwise — is defined and implemented to support or enable corporate objectives. Who has the skills and knowledge to design a proper security methodology and to implement appropriate policies across the corporation? Who is responsible for defining, implementing and managing the enterprise architecture?

It's not the traditional security chief. The skills and expertise required of a CSO are quite different from those involved while worrying about access doors and security-guard rounds.

A CSO needs a strong technology background coupled with the political and interpersonal skills to implement policies across the organization. A

CSO must also stay current with laws and regulations that affect information security deployment and keep the CEO, CFO and board of directors apprised of security matters.

All C-level executives are liable for any loss of information, even if it's stolen the old-fashioned way — taken from the mailroom, for example. Criminal and civil penalties are the norm if a company is found negligent in protecting information, and ignorance of the law is no defense.

So yes, the CSO should report to the CEO. But ideally, the CIO and the CSO should be one and the same person. I have held the title of CIO/CSO three times in my career while reporting to a CEO or COO. The dual job expands the CIO role to address corporatewide risk issues with a broad range of technical and nontechnical security processes and initiatives.

And the number of risks are increasing. According to FBI statistics, a company has a 90% chance of experiencing a computer or network security breach within the next year, an 80% chance of suffering a financial loss due to a security breach and a 44% chance that the loss will exceed \$4 million. New laws and regulations regarding

information security are the result of dramatic increases in the loss of personal and financial information through cybercrimes and fraud.

Given the threat, the CIO/CSO needs to address three top-level network security challenges. The first is to prevent infestation of the network by viruses, worms, Trojan horses and so on, as well as to isolate and remove any infestation without affecting the operational ability of the corporation. Network infestation alone will cause more than \$100 billion in financial losses globally in 2004. The second challenge is to protect private information from intruders who pose as legitimate users after gaining unsanctioned network access. The final task is to defend against denial-of-service attacks in which legitimate business resources or customer access are diminished or denied.

I know from experience that no one can do this job alone. As custodian of the corporate information assets, the CIO/CSO must make information owners in the business units aware of their responsibility for information security. He can do this by involving them in business impact analysis, risk assessment, business continuity planning and security policy development.

He must also work closely with the CFO, the human resources executive and the board audit committee. Together, they must ensure consistency of security policies and procedures and open administration of the security program, including clearly defined audit trails. This collaboration, with the CIO/CSO in the lead, is the best way to effectively protect the information and physical assets of the firm.

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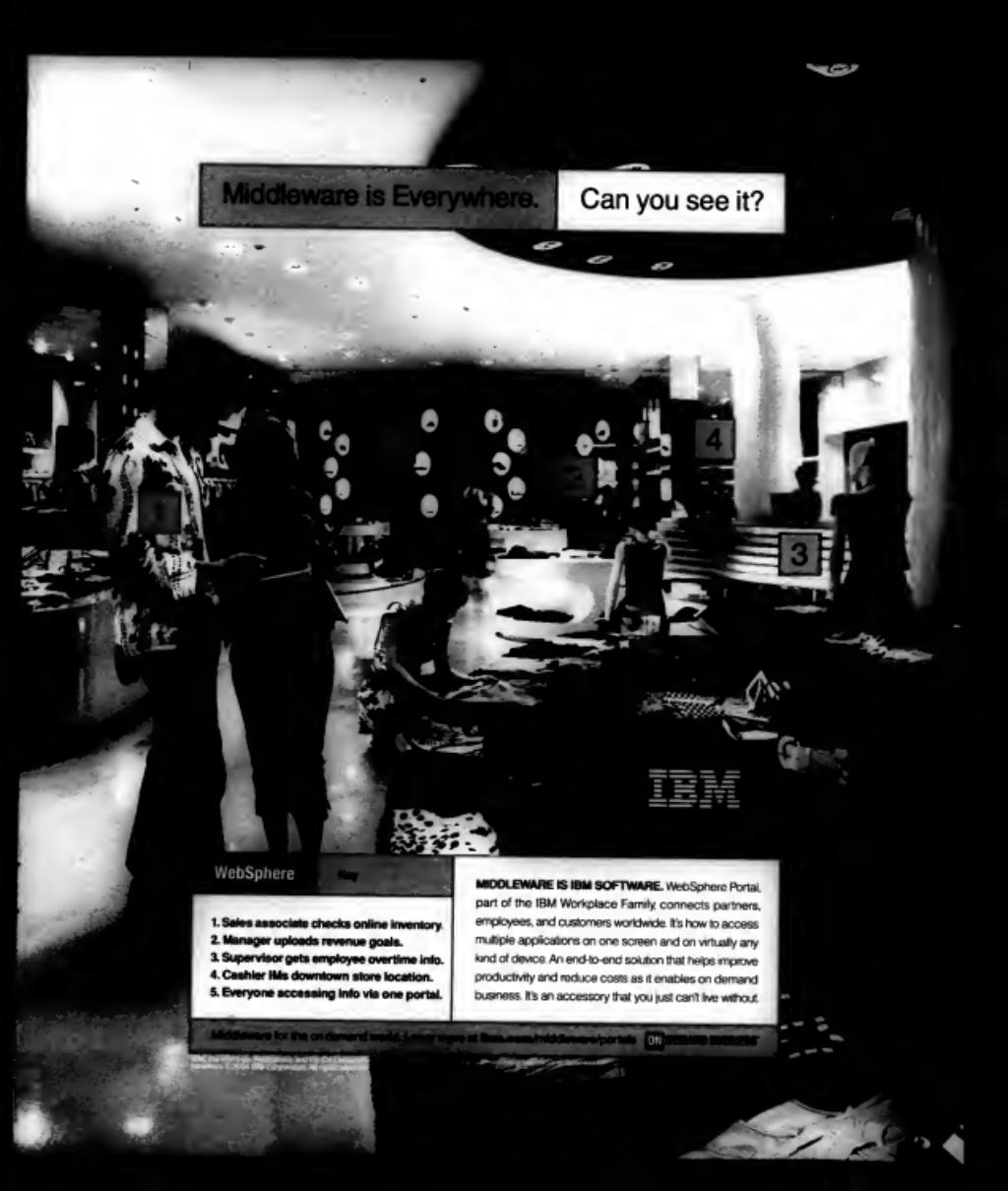
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**Computer Professionals** (Software Development) Software Engineer, Performance Analyst, Project Manager, Quality Assurance, Admin./Administrative, Project Officer, Technical Support, Test Engineer, and Test Analyst. Must have a Master's Degree with a minimum of one year experience as a Software Developer. In the event you do not have a Master's Degree, you must be working toward attaining a Bachelor's Degree along with the (3) years experience required. Please note that for the U.S. experience requirement, the experience is being measured from the time you graduated with a Bachelor's Degree. If you have less than three years experience, please contact us to discuss your situation. We offer a variety of positions for computer professionals with experience. Must have a Master's Degree in Computer Science or a related field. Minimum NET, C, C++, Oracle, Visual Basic, Visual FoxPro, Crystal Reports, System, DB2, Sybase, Access, VB, VBA, VB.NET, MS Access, Oracle, COBOL, PL/SQL, Visual Basic, VCL, VFP, VBA, VBS, ADO, ASP, VTPR, Network Programming, Database Administration, and other related experience.

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the development & implementation  
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image-based methods for assessing  
biological datasets. Must  
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in informatics, major end-user work  
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Network and Data Communications Analyst sought by Amplidyne, Inc., a telecom network solutions company BS in Computer/Electronics Eng or related field with 5 yrs exp. Respond by resume to R Dept., 16075 E. 32nd Avenue, Unit A, Aurora, CO 80011-1529

new Account Manager needed to source and support new technical business development opportunities. Must have Bachelor's degree in Electrical Engineering, Computer Science or related field and 4 years experience in corporate sales in software services industry, including 2 years experience in project management and team development. Send resume to Hilary Gosselin, Human Resources Manager, Kippin Technologies, Inc., 2 Old Connecticut Path, Waltham MA 01761.

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design & devl software for tele-  
communications, narrowband  
and broadband processing using  
the enterprise Architect CEM.  
C/C++, C++, Visual Basic,  
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**PT Jr Software Engineer** Responsible for development, implementation, and enhancement of applications running in a real-time operating system environment. Responsible for the development of utilities on various platforms. Must have a Bachelor's degree in Electrical Engineering, related field, or foreign degree equivalent. Educational background must have included DOS, Windows, UNIX, and Linux. Salary Competitive. Send resume to Srinivasan Rangachandran, A.M.I., #149-P Brookview Parkway, Norcross, GA 30071.

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**Programmer/Systems Analyst** Participate in solution delivery, developing programs, writing analyses and descriptive documents, managing operational control of systems, installing software, writing and testing code, and debugging software programs. Must have Bachelor's in Computer Science or related, 1 yr plus prior knowledge of Oracle Developer 2000 [Ingres, ReportX, Graph & Mail, PL/SQL, SQL], Plus SQL Loader, PL/SQL Discoverer 2000, Sandcastle, Visual Studio .NET, and Visual Studio 2003. Send resume to Festech International, Attn: David Kemper, 1425 60th St., Ste. H, Cedar Rapids, IA 52402.

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The following are the major responsibilities:

- Analyze & evaluate user needs
- Design & configure systems
- Implement, test & write scripts as needed to ensure system performance
- Who & 8+ years experience, working history of UNIX and having overall testing infrastructure
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1-3 year experience as a UNIX System Administrator.

- Shell Programming - Know Bourne, csh and pdksh
- Familiarity with Schemas and Unix operating systems.
- Must be familiar with the Sun enterprise class servers
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Yan, NY 10004-4200 (212) 432-

**Sr. Software Engineer** wanted for long software project, prior experience in .NET, WinForm ASPX apps for user by the smart manager & developer. Must have 8.5 yrs exp. in C#/.NET, VB.NET, ASP.NET and Field. 8 yrs. exp. experience developing web-tier, web-based apps using Microsoft .NET frameworks (including ASP.NET, Visual Studio .NET, XML, & Web Services). COMMERCIAL components, incl COM+ & SQL programming + object-oriented analysis, design & implementation using UML, & experience in design & implementation of distributed systems and distributed apps. Send resume to Steven Northern, CTO, Sausal Techologies, Inc., 80 Washington St., Suite 100, Milpitas, CA 95035. (408) 550-1100. Fax: (408) 550-1101.

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Design and implement analytical programs, algorithms & working models in predicting customer behavior, probability of customer attrition, product ID & marketing campaigns. Requires 3 yrs. in Math, Stats, or related field, plus 2 yrs. as analyst, or offered as a post-graduate program. Inner Anagnos, PA, or Software Devp. The 2 yrs. exp. must include at least 1 yrs. quant model development using algorithms & scoring modules, conducting stat analysis using SPSS, SAS, SPSS or similar tools predicting customer behavior based on input from sales, marketing, finance, or IT. Must have exp. in managing statistical analysis in a financial institution. BS Stat, MS, Marketing or related field. Will W/H Tama Beach Blvd., 461234, Cheltenham, MD.

Software Engineers will need skills to reverse engineer and port ASP, XML, ActiveX, COM+, VB, ASP.NET, VB.NET, ADD.OBJ, HTML, Oracle, SQL Server, Windows and create complex client-server applications using COM, DCOM, dynamic linking, and implement them in multi-tier architecture using MS Transaction Server. Troubleshoot application performance, integrated database problems, and analyze system requirements and recommended hardware configurations, provide consulting to IT teams, train new employees. Requires MS in CS/Engineering & 5 years exp in IT/Software Engineering. A strong progression exp in IT/Consulting involved. Con-Syssoft, FIT Resources, HR Synergy America Inc, EDS, Software Pers.

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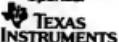
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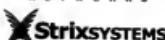
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# Open-Source Java?

**I**T'S NO SURPRISE that Sun Microsystems put the source code for the next big version of Java up on the Internet last week. OK, maybe it's a *little* surprise. For most of a year, Sun has resisted a campaign by IBM to convert Java into an open-source project. Sun executives have said over and over that Java *will* not be open-sourced — no, never, forget it. That's been the word all up and down the Sun chain of command.

And sure enough, Sun *didn't* open-source the forthcoming version of Java, code-named Mustang. Instead, the Mustang source code went up on the Net under the Java Research License.

If you aren't sure just what that means — well, neither is Sun.

Suo's director of Java technology, Matt Thompson, says that the implications of offering the code through the research license are still under investigation (QuickLink 50865).

That's putting it delicately. The Java Research License was created specifically for universities and researchers. It's really not intended for what Sun obviously has in mind: getting a lot of open-source developers to look at the early snapshot, kick its tires, put it through its paces and generally give it an open-source-style once-over. Thompson even announced the source code's availability at an open-source event in Silicon Valley.

That makes sense, at least if you step back from the open-source politics and legalities. No, Sun doesn't want to give up its control of Java. But Sun does want to leverage the "many eyeballs" effect of open-source — the fact that the more people you have looking at source code, the more bugs they'll find.

And not just what we traditionally call bugs. All those eyeballs can also spot inelegant designs and problematic approaches. They can bring far broader experience to bear than any traditional group of code reviewers, and they can apply the perspective of end users and business requirements.

The eyeball effect isn't the only advantage of open-source development, but it's one of the most powerful — and it's the easiest one for non-open-source developers to crib. They just have to be willing to let lots of people see their source code.

That's the benefit Sun clearly gets by going this route — if you ignore the politics and legalities.



FRANK HAYES, Computerworld's senior news columnist, has covered IT for more than 20 years. Contact him at [fhayes@computerworld.com](mailto:fhayes@computerworld.com).

And if you don't ignore them? Then Sun gets even more.

After all, Sun may not really be making Java open-source, but it sure looks open-sourceish, doesn't it? Rubbing up against that positive open-source buzz surely won't hurt Java.

Then there's the curious factor: Developers who aren't that interested in writing Java programs might still want to look at the Mustang code. Once they get their fingers dirty, they might get hooked again.

The legal implications? Sun won't have a chance of claiming that anyone has stolen its trade secrets, not with everything out in the open. But anyone else who thinks Sun has infringed on its intellectual property rights in Java won't have an excuse for failing to speak up right away — the code is right there for anyone to see. That actually puts Sun in a stronger position for defending its intellectual property.

And if Sun really does get large numbers of people agreeing to its relatively restrictive research license, its terms could give Sun ammunition should the company ever decide to launch its own legal attack against someone Sun thinks is improperly using that Java source code.

Pretty impressive batch of implications for Sun deciding to use the Java Research License, isn't it? True, this faux open-source approach will irritate open-source purists. But let's face it — Sun really doesn't care if those purists are pleasantly surprised or not.

And when you consider just what Sun gets from "research-sourcing" Java, there's really no surprise at all. ☐ 50897

## Tricky, Very Tricky

Big airplane maker has a problem with its big, expensive plotter. The paper shifts intermittently while printing big drawings. After weeks of repairs and even swapping out the plotter, vendor sends plotter fish to see if it's a software glitch. "A plot began, and as the paper traveled inward, the edge walked up and struck the wall behind the plotter with a loud 'thwack,'" says fish. "With hardware support and five engineers watching, I simply pushed the plotter away from the wall another few inches. Problem solved."

Another  
Saddled  
Customer  
Non-IT money  
or resources

Int'l plot fish's office and demands that fish add a new shared network drive — but just one file. But, the file exists, and the file is ready to be e-mailed to everyone in the company. Manager doesn't say no. And the file is ready used, says fish. No, says says manager. And we're out of new drives forever, fish says. "You can at least try," manager insists. "I log in, check a few logs, delete some files and drag a small drive," says fish. "There I have around one, say, 100 megabytes. I'm sorry, I tried, it didn't work." No human satisfied.

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## SHARK TANK

Int'l plotter  
doubts every  
about that cur-  
very change."

No, West, Stupid  
How 'bout just dock plotter gets the call from a  
nonbeliever whose tub  
boy isn't working. "I re-  
membered reading a huge  
ruler on her desk, so  
I laid her to shake the  
laptop upside-down  
and tap one corner on  
the desk," she says. "He  
lifted it. I then told her to  
pick up one end and  
tap two or three times off  
the desk and drop it.  
Having a hard time, I  
asked what she was doing,  
she said, 'I'm dropping  
one end of the laptop  
they just got fixed for  
me yesterday.'"

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I've Seen This  
This company's employ-  
ee reservation has a picture  
of an IT intern on its  
wall, illustrating a story  
inside about interns. One  
of the senior analysts  
tells plotter that the guy  
in the picture cer-  
tainly looks familiar, but  
the analyst just can't  
place him. Says fish:  
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had been sitting at the  
reservation behind her  
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# Open-Source Java?

**I**T'S NO SURPRISE that Sun Microsystems put the source code for the next big version of Java up on the Internet last week. OK, maybe it's a *little* surprise. For most of a year, Sun has resisted a campaign by IBM to convert Java into an open-source project. Sun executives have said over and over that Java *will* not be open-sourced — no, never, forget it. That's been the word all up and down the Sun chain of command.

And sure enough, Sun *didn't* open-source the forthcoming version of Java, code-named Mustang. Instead, the Mustang source code went up on the Net under the Java Research License.

If you aren't sure just what that means — well, neither is Sun.

Sun's director of Java technology, Matt Thompson, says that the implications of offering the code through the research license are still under investigation (QuickLink 50865).

That's putting delicately. The Java Research License was created specifically for universities and researchers. It's really not intended for what Sun obviously has in mind: getting a lot of open-source developers to look at the early snapshot, kick its tires, put it through its paces and generally give it an open-source-style once-over. Thompson even announced the source code's availability at an open-source event in Silicon Valley.

That makes sense, at least if you step back from the open-source politics and legalities. No, Sun doesn't want to give up its control of Java. But Sun does want to leverage the "many eyeballs" effect of open-source — the fact that the more people you have looking at source code, the more bugs they'll find.

And not just what we traditionally call bugs. All those eyeballs can also spot inelegant designs and problematic approaches. They can bring far broader experience to bear than any traditional group of code reviewers, and they can apply the perspective of end users and business requirements.

The eyeball effect isn't the only advantage of open-source development, but it's one of the most powerful — and it's the easiest one for non-open-source developers to crib. They just have to be willing to let lots of people see their source code.

That's the benefit Sun clearly gets by going this route — if you ignore the politics and legalities.

And if you don't ignore them? Then Sun gets even more.

After all, Sun may not really be making Java open-source, but it sure looks open-sourcese, doesn't it? Rubbing up against that positive open-source buzz surely won't hurt Java.

Then there's the curiosity factor: Developers who aren't that interested in writing Java programs anonymous might still want to look at the Mustang code. Once they get their fingers dirty, they might get hooked again.

The legal implications? Sun won't have a chance of claiming that anyone has stolen its trade secrets, not with everything out in the open. But anyone else who thinks Sun has infringed on intellectual property rights in Java won't have an excuse for failing to speak up right away — the code is right there for anyone to see. That actually puts Sun in a stronger position for defending its intellectual property.

And if Sun really does get large numbers of people agreeing to its relatively restrictive research license, its terms could give Sun ammunition should the company ever decide to launch its own legal attack against someone Sun thinks is improperly using that Java source code.

Pretty impressive batch of implications for Sun deciding to use the Java Research License, isn't it? True, this faux open-source approach will irritate open-source purists. But let's face it — Sun really doesn't care if those purists are pleasantly surprised or not.

And when you consider just what Sun gets from "research-sourcing" Java, there's really no surprise at all. © 50867



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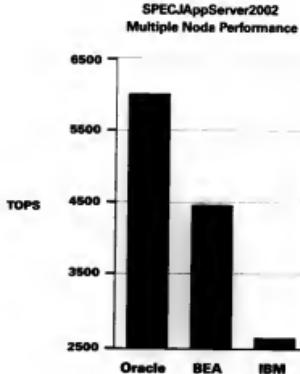
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